

Your Tax Advantage

Iowa Tuition and Textbook Credit

Taxpayers who have one or more dependents attending Kindergarten through 12th grade in an accredited Iowa school may take a credit for each dependent for amounts paid for tuition and textbooks. Dependents must have attended a school in Iowa that is accredited under section 256.11, not operated for a profit and adheres to the provisions of the U.S. Civil Rights Act of 1964.

The credit amount is 25% of the first \$1,000 paid for each dependent for tuition and textbooks.

In the case of divorced or separated parents, only the spouse claiming the dependent can claim the amounts paid by that spouse for tuition and textbooks for that dependent.

Expenses for textbooks or other items for home schooling, tutoring, or schooling outside an accredited school do not qualify for the credit.

"Tuition" means any charges for the expense of personnel, buildings, equipment and materials other than textbooks, and other expenses that relate to the teaching of only those subject legally and commonly taught in Iowa's public elementary and secondary schools.

"Textbooks" means books and other instructional materials used in teaching those same subjects. This includes fees, books and materials for extracurricular activities.

Examples of extracurricular activities: sporting events, speech activities, musical or drama events, driver's education (if paid to a school), awards banquets, homecoming, prom (clothing does not qualify), and other school related social events.

The cost of the following items are eligible for the credit:

- Books: books and other instructional materials used in teaching subjects legally and commonly taught in Iowa's public elementary and secondary schools, including those needed for extracurricular activities.
- Clothing: "non-street" costumes for a play or special clothing for a concert not suitable for everyday wear.
- Driver's Education: only if paid to the school
- Dues, Fees and Admissions: includes those paid for extracurricular activities such as activity fees; booster club dues; fees for track and cross-country; activity ticket or admission for high school athletic events; fees for a physical education event such as roller skating.
- Materials: includes materials for extracurricular activities, such as sporting events, speech activities, musical or dramatic events, awards banquets, homecoming, prom, and other school-related social events.

- Music: rental of musical instruments for school or band; music/instrument lessons at a school; sheet music used in a school; valve oil; cork grease; music books and reeds used in school bands or orchestras.
- Shop class and mechanics class: cost of required basic materials.
- Shoes: football, soccer and golf shoes, cleats for football shoes; track spike shoes.
- Travel: non-travel fees for field trips if the trip is during school hours.
- Tuition: the school must be accredited; amounts paid are not allowed if they relate to teaching of religious tenets or doctrines of worship.
- Uniforms: band, hockey and football uniforms.

The cost of the following items are not eligible for the credit:

- Books: yearbooks.
- Clothing: clothing which can be used for street wear, such as T-shirts for extracurricular events such as track and science; clothing for play or concert that suitable for everyday wear; prom dresses and tuxedos.
- Dues, Fees and Admissions: sports-related socials; special education programs like career conferences; special testing like SAT, PSAT and Iowa talent search test.
- Music: purchase of musical instruments; cost of music lessons outside of school; sheet music for private use.
- Religion: Amounts paid are not allowed if they relate to teaching of religious tenets or doctrines of worship.
- Shoes: Basketball shoes and other shoes suitable for everyday wear.
- Travel: travel expenses for trips.
- Tuition: any amount of food, lodging, clothing or transportation of a student.

Calculate the proper amount of expenses per dependent and multiply the amount - not to exceed \$1,000 - by 25% (.25)

Retain records of your calculation, showing the name of each dependent, school(s) attended, and an itemized list of qualifying expenses.

Married Separate Filers: This credit must be divided between husband and wife in the ratio of their respective net incomes. Any unused part of this credit cannot be used by the other spouse.

