

## EDUCATIONAL BENEFIT TAXATION

Course/Type	Employee	Spouse	Child(ren)
Undergraduate	Non-taxable	Non-taxable	Non-taxable <sup>2</sup>
Graduate < \$5,250 in year	Non-taxable	Taxable <sup>3</sup>	Taxable <sup>2,3</sup>
Graduate > \$5,250 in year	Taxable <sup>1</sup>	Taxable <sup>3</sup>	Taxable <sup>2,3</sup>

<sup>1</sup>An exception may apply in limited cases, if the education qualifies as a working condition fringe benefit as outlined by IRC §§ 132 and 162.

<sup>2</sup>A child that is **NOT** an IRS tax dependent is subject to taxation.

<sup>3</sup>An exception may apply in limited cases, if the student is a graduate teaching or research assistant as outlined by IRC § 117(d)(5).