

## Tax Related Q&A's

NEA Member Benefits – March 2009

**Q:** Last year, I bought supplies for my classroom that were not reimbursed by the school district. Can I deduct some of those expenses when I file my 2008 tax return?

**A:** Yes. Even if you do not itemize deductions, you can claim up to \$250 of out-of-pocket expenses you paid in 2008. The Internal Revenue Service (IRS) lists it as the “Educator Expense” deduction on the tax form.

Further, the U.S. Congress has extended the provision for the 2009 tax year filing, as well.

Here are details: Unreimbursed expenses can be deducted for the following items: books, supplies, computer equipment (including related software and services), other equipment, and supplemental classroom materials. The deduction can be claimed under “Adjusted Gross Income” on either line 23 of Form 1040 or line 16 of Form 1040A, depending on your tax filing status.

You are considered an “eligible educator” if you are a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide. To qualify, you must work at least 900 hours a school year in a school that provides elementary or secondary education, as determined under state law.

To learn more about the IRS Educator Expenses tax deduction, go to [www.irs.gov/taxtopics/tc458.html](http://www.irs.gov/taxtopics/tc458.html). This section also describes how qualified expenses may be affected by other deductions that you may be taking in 2008.

As you prepare tax forms for 2008 filing, you will want to learn about the partnership of NEA Member Benefits and H&R Block, the nation’s largest tax preparation company. For more information about discounts and special pricing on tax preparations for NEA members, see [www.neamb.com/taxcut08/](http://www.neamb.com/taxcut08/).

**Q:** I know I can deduct for qualified classroom expenses on my 2008 tax return, but what about union dues, health care expenses, and professional development fees or tuition?

**A:** Many miscellaneous deductions are subject to a 2% limit (i.e., you can claim the amount of expenses that is more than 2% of your adjusted gross income) and must be itemized using Schedule A of Form 1040 or Form 1040NR. There are several good resources on the IRS.gov website to help you determine if you qualify for the deductions you mention. For union dues, see Page 7 of the IRS Publication 529 called “Miscellaneous Deductions,” which can be found on the Internet at [www.irs.gov/pub/irs-pdf/p529.pdf](http://www.irs.gov/pub/irs-pdf/p529.pdf). Be sure to heed the caution regarding the lobbying expenses portion of dues, which is not deductible. Publication 529 includes a section up front that covers “What’s New for 2008” in tax law changes and also a section on expenses that are not deductible.

Another good IRS tax information source is Publication 17, “Your Federal Income Tax.” Part Four, Section 19 on “Education-Related Adjustments” covers topics such as deductibility of student loan interest, tuition and fees. You can find it at [www.irs.gov/publications/p17/ch19.html](http://www.irs.gov/publications/p17/ch19.html).

If you are not confident about your deductions, you can always take advantage of the special discounts for NEA members on tax preparation assistance from H&R Block. Go to [www.neamb.com/taxcut08/](http://www.neamb.com/taxcut08/) to get the details.