

MINNESOTA • REVENUE

Individual Income Tax

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Qualifying Expenses for the K-12 Education Credit and Subtraction

A variety of expenses may qualify for the K-12 Subtraction and Credit. The sections below outline these “qualifying expenses,” when to claim them, and what expenses don’t qualify. Expenses are only eligible for the credit or subtraction if you paid them for a “qualifying child.”

Note: You must have records to prove you paid the expenses. Be sure to save these records, such as itemized cash register receipts, invoices and canceled checks. (However, canceled checks alone may not be enough to prove you had paid education expenses.)

Expenses for the Normal School Day

Most expenses for educational instruction or materials qualify if they’re required for the “normal school day” – that is, for subjects normally taught in public school grades K-12. These expenses include:

Textbooks and other instructional materials used in subjects normally taught in public school grades K-12. This can include paper, pens, pencils, notebooks, rulers and special supplies needed for shop, home economics or art class. See “Expenses That Don’t Qualify” for exceptions, such as religious textbooks or materials used in extracurricular activities.

Instructional fees paid for field trips taken during the normal school day, including local transportation costs paid to others and entrance fees to exhibits.

Rental or purchase of educational equipment required for classes during the normal school day, such as musical instruments and calculators.

Home school. Expenses for home schooling of children may qualify for the credit or subtraction if they’re for supplies and materials for subjects taught during the normal public school day. They may not be primarily religious in nature.

For more information, [see Qualifying Home School Expenses for K-12 Education Subtraction and Credit](#) (Income Tax Fact Sheet 8a).

The following expenses qualify for the subtraction only:

Tuition for private schools.

Tuition for college courses that satisfy high school graduation requirements.

Tuition for summer school courses used to satisfy high school graduation requirements.

After-school Educational Enrichment Programs, Tutoring, and Summer Programs

Only the instructional part of fees qualify for after-school or summer enrichment programs as an educational expense. This includes private tutoring expenses, but doesn’t include expenses for materials, supplies, transportation, or room and board.

To qualify, the program must be:

Academic in nature. This includes courses in such subjects as reading, math, science, history and the fine arts; but it doesn’t include sports and athletic activities, or religious instruction.

Taught by a qualified instructor who is not the child’s sibling, parent or grandparent. (See “Definition of a Qualified Instructor,” below.)

Summer School

Expenses paid for summer school classes to fulfill school-year class requirements qualify. They must meet the same requirements as “normal school day” expenses, as outlined above.

Driver’s Education Classes

You may claim instructor fees paid for driver’s education if the school your child attends offers driver’s education as part of its curriculum, no matter where your child takes the classes.

Transportation Expenses

Transportation expenses qualify if you meet all of the following requirements:

Expenses must be paid to others. If you or any other members in your household drive your child to school, or if your child drives him- or herself to school, you cannot claim transportation expenses.

Expenses must be for transportation during the school day. This includes traveling to and from school, or for field trips.

Transportation to or from extracurricular activities – academic or nonacademic – doesn’t qualify.

The school must be located in Minnesota or a neighboring state. This includes Iowa, North Dakota, South Dakota, or Wisconsin.

Computer Hardware and Educational Software

Computer hardware and software you bought for your children to use at home to learn about academic subjects are qualifying expenses, as long as you don't also use the computer in a trade or business.

Limits

You may only claim computer and software expenses up to \$200 for the credit and \$200 for the subtraction. You can't claim more than \$400 in total computer expenses, even if you spent more on these items during the year.

When to Claim Qualifying Expenses

You claim educational expenses for the year when you paid for the materials or services, which may be different from the year you received them. It depends how you paid for them:

If you bought an educational service or product using a "third-party" loan – such as from a bank, or with a credit card – claim the expenses for the year of purchase. (This is true even if you don't repay the loan until a later year.)

If you used credit provided by a retail seller for the purchase – such as a payment plan from a computer or music store – claim the expenses for year(s) you actually make payments to the seller.

Example: You bought a musical instrument on store credit in September and make 10 monthly payments of \$50 each (\$500 total). You claim four payments (\$200) as educational expense for the current year, and claim the remaining six payments (\$300) for the next year. However, if you bought the same instrument with a bank loan or a credit card, you claim the full amount (\$500) for the current year.

Expenses That Don't Qualify

The following expenses don't qualify for K-12 Education Subtraction or Credit:

School lunches or meals

School uniforms (including band uniforms, choir robes, dance costumes and graduation robes)

Monthly Internet access fees

Books and materials used in any extra-curricular activities or sporting events

Books, materials or instruction used in teaching religious beliefs

Clothing for school (except for clothing required for gym class)

Kleenex

Backpacks

Nonacademic programs such as sports camps, lessons, or equipment such as martial arts classes, dance line, baseball camp and others

Transportation expenses for extra-curricular activities or programs outside the normal school day

Cost of driving the child or the child driving him- or herself to school

Expenses for pre-kindergarten classes and nursery schools

Expenses for classes after the student has left high school

Participation fees for club activities, extracurricular activities and sporting activity such as pep band, marching band, and coaching

Room and board

Fees for extracurricular academic instruction provided by the child's sibling, parent or grandparent

Travel expenses for overnight class trips

Testing fees for advanced placement and college entrance exams such as the SAT and ACT

Hardcover encyclopedias or reference materials

Diagnostic fees to determine what assistance the child needs

Fees paid for membership in an association (for example, YMCA, sports or health clubs, museums, zoos, home-based education accreditation associations)

Seminars for the parent

Fees or tuition for correspondence schools

Materials used for setting up a home school (for example, desks, whiteboards, demo kits, maps, globes)

Equipment that is normally provided by the school (for example, gym equipment, major shop equipment, kitchen appliances and

the like)

Definition of a “Qualified Instructor”

A qualified instructor is an individual who meets at least one of the following requirements. He or she:

Is a Minnesota licensed teacher.

Is directly supervised by a Minnesota licensed teacher.

Has passed a teacher competency test.

Teaches in an accredited private school.

Has a baccalaureate – or “bachelor’s” – degree (though it doesn’t have to be in the same subject taught).

Is a member of the Minnesota Music Teachers Association.