Banner Accounts Receivable
Tax Relief Act (TRA) 1098-T Reporting Handbook

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Revision History

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November 2012	New version that supports Banner Accounts Receivable 8.4.2 software.

Contents

1 Procedures List and Process Flow

Introduction

The Tax Relief Act (TRA) of 1997 included several provisions relating to Education Tax Credits. The impact to post-secondary institutions is the need to collect and report information to taxpayers and the IRS. In December 2002, the IRS published final regulations reflecting changes made to the law.

The *Tax Relief Act (TRA) 1098-T Reporting Handbook* documents 1098-T tax reporting processing in Banner to assist your institution in complying with Internal Revenue Service (IRS) reporting requirements relating to the Hope Scholarship Credit and the Lifetime Learning Credit. Banner processing supports the *Amounts Billed* option for reporting Qualified Tuition and Related Expenses (QTRE).

Step-by-Step Procedures

The following is a comprehensive list of processes and forms relevant to 1098-T reporting. For more specific information about each form and process in this list, refer to the online help and to"Reports and Processes" on page 3-1.

1. Create tax rule codes on the Tax Report Validation Form (TTVREPT) and build tax rules on the Tax Reporting Rules Form (TSATAXR).

   There are two types of rules: reportable and supplemental. Reportable rules (subdivided into Qualified Charges Billed and Scholarships or Grants) are required for each tax year.

2. Run the 1098 Student Tax Notification(TSP1098) process in Test mode.

   - Review the error report generated for TSP1098 to identify any students missing data for social security number, name, or address. This will help you determine if information needs to be added to SPAIDEN (name, address) or SPAPERS (social security number).

- Review amount fields and check boxes on TSATAXN to confirm that your rules are complete and accurate. If necessary, you can update rules on TSATAXR.
- Rerun TSP1098 in Test mode, as needed.

3. Run the TSP1098 process in Official mode.
   - After you run TSP1098 in Official mode, any further changes needed to name, address, or social security number must be made in two places: TSATAXN and SPAIDEN (or SPAPERS, if applicable).

     After you update the TSATAXN form with address and/or social security number information, you must change the Student and IRS flags to *R*eady to send.
   - You may re-run the process in Official mode to recalculate amounts or add new students. Recalculation is *only* applicable if you have changed a reportable rule in the current tax year.
   - You can manually exclude student records by selecting the Remove Notification check box on TSATAXN.

Note

Certain student records (for example, where amount fields are zero, or Scholarships or Grants are equal to or greater than Amounts Billed) can be excluded automatically when the TSR1098 and TSRTRAF processes are run. ■

4. Populate the 1098-T Tax Information Form (TSA1098).
5. Run the 1098 Student Tax Report (TSR1098). This step is optional if you are planning to use a third-party service for student 1098-T notifications.
   - Run this process in Test mode first to review the1098-T student notifications and the IRS file.
   - Run this process in Official mode with parameter 03 set to *S* to print the 1098-T and update the Student Notification Status and date, and mail the 1098-T notifications to students according to reporting deadlines.

Note

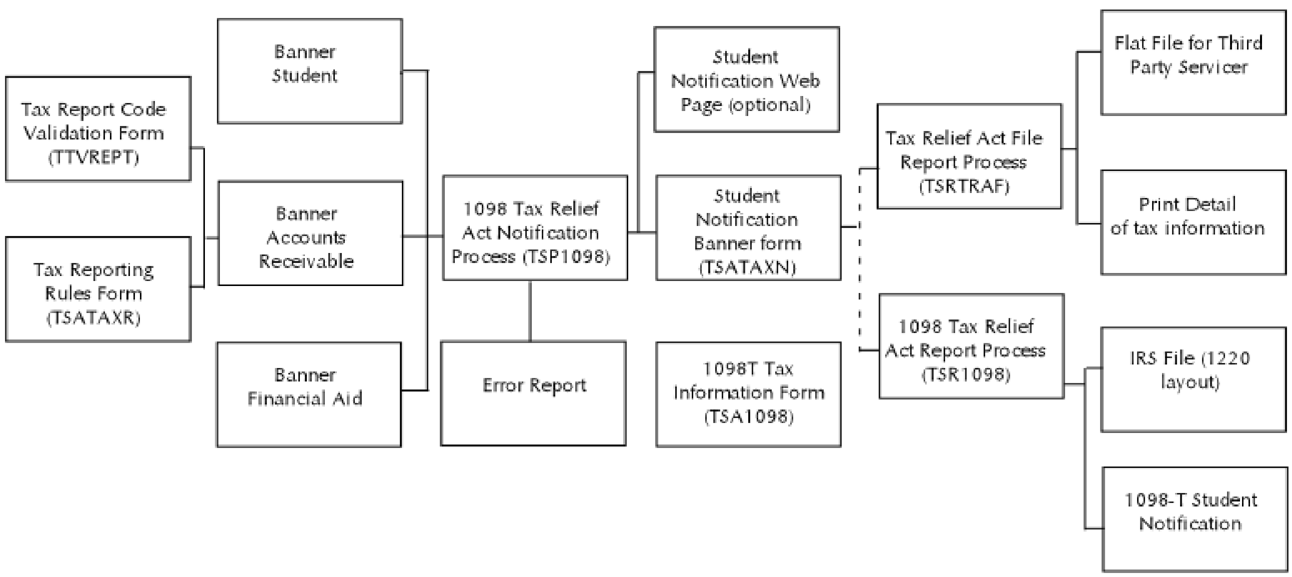
If you discover errors in tax rules after 1098-Ts have been sent to students (but before you have reported to the IRS), you may correct the tax rules and reissue revised 1098-Ts to students. To do this, update tax rules on TSATAXR and rerun TSP1098 in Official mode with the Re-run Indicator (parameter 03) set to (R)ecalculate. You may also (A)dd new students at this time, or re-run for (B)oth. ■

   - Run this process in Official mode with parameter 08 set to *Y* to generate the IRS File and update the IRS Report Status and date, and send it to the IRS according to filing deadline.

6. Run the Tax Relief Flat File Process (TSRTRAF) to print detail of the reported amounts and/or selected supplemental tax report codes to send to the student with the 1098-T notification forms. You can also run the TSRTRAF process if you are outsourcing to create the flat file for the third party service. This process is optional.

   - If you are outsourcing, run the TSRTRAF process in Test mode first. This way you can review your flat file before sending it to your third party.
   - Run the process in Official mode to update the student and IRS status indicators.
   - You may rerun TSP1098 to recalculate and/or add students (rerun indicator) if you discover that an error was made in building the tax rules.
   - You can re-run TSRTRAF in Official mode to create an additional file if you have entered changes on TSATAXN, recalculated amounts, or added students.

Process Flow



2 Forms

This section identifies the Banner forms and describes the Student Self-Service Web page related to 1098-T reporting.

For detailed information about each of the Banner forms, please refer to the online help.

Form/Web Page Name	Description
TTVREPT	Tax Report Validation Form - Used to maintain Tax Report codes and descriptions.
TSA1098	1098T Tax Information Form - Used to enter Transmitter and Institution (Payer) information for 1098-T paper forms filing and magnetic/electronic reporting.
TSATAXN	Student Tax Notification Form - Used to view and/or modify tax information associated with a specific student.
TSATAXR	Tax Reporting Rules Form - Used to define rule types, terms in tax year, category and detail codes, and proration percentages associated with the tax report codes for 1098-T reporting.
TSITAXN	Student Tax ID Search Form - Used to query tax notification records for a single student or multiple students.
Tax Notification	"Tax Notification Web Page" on page 2-1 - This page enables students, with appropriate authority, to view a representation of the 1098-T form on the Web, including detail of reported amounts and supplemental information.

Tax Notification Web Page

A student can use the Tax Notification Web Page to view a representation of their 1098-T form. The 1098-T representation appears at the top of the page, with supplemental and detail information beneath it. This page is query only.

You can select a tax year and access the Student Tax Notification Page from the Student Records Menu if the **Enable 1098T** check box is selected for the qualified bill charges for the tax year.

To display 1098-T on the Web for a particular tax year:

1. Go to TSATAXR.
2. In the Key block, enter the tax report code for the Qualified Charges Billed rule and the Tax Year.
3. Perform a Next Block. Note that the **Total Access** check box under the Self-Service heading dynamically changes to the **Enable 1098T** check box.
4. Select the **Enable 1098T** check box.

Page Sections

Display of supplemental totals and details is controlled by the access indicators on the TSATAXR form.

This page is sub-divided into the following sections.

- Form 1098-T
- Supplemental Information (Summary level)
- Detail of Reported Amounts
- Supplemental Detail

Form 1098-T

This section contains a representation of the 1098-T form. Select the links in the form to review the detail for a reported amount.

Supplemental Information

This section includes additional tax report information. Numbered amounts that are underscored indicate that you can access additional detail for that amount.

Fields	Descriptions
Hard Copy Mailed	Student Notification Date if Status is *(S)ent*, or *N*o.
Tax Report Description	Description of a supplemental rule if the student has matching transactions and access is authorized via TSATAXR.
Total	Total amount associated with this tax report item.

Detail of Reported Amounts

Detail displayed to support the 1098T amounts reported in the Qualified charges billed, Adjustments to charges billed, Scholarships/Grants and Adjustments to scholarships/grants boxes is summarized by term and detail code.

Fields	Descriptions
Term	Term of the transaction. **Note:** Terms beginning in the following year are designated in the description.
Code	Detail code of the transaction.
Description	Description of the transaction.
Amount	Dollar amount associated with the detail code for the specified term.
Pro-rata	A value of *Yes* indicates that this amount has been pro-rated, as determined by the proration rules established for this tax report code on TSATAXR.
Return to Form 1098-T	This link returns you to the representation of the1098-T Form at the top of the page.

Supplemental Detail

Fields	Descriptions
Reported In	Tax year and box number in which the amount was reported. If this amount was *not* reported, this field is blank.
Term	Term of the transaction.
Description	Description of the category code, detail code, or transaction depending on the level of summarization on TSATAXR.
Amount	Dollar amount associated with the specified detail and category codes.
Date	Date this amount was reported.
Future Tax Year	A value of *Yes* indicates that this amount is associated with a term beginning in the first three months (January - March) of the next tax year.

Fields	Descriptions
Pro-rata	A value of *Yes* indicates that this amount has been pro-rated, as determined by the proration rules defined on TSATAXR.
Total	Total.
Return to Supplemental Summary	This link returns you to the Supplemental Summary section.

Info Text

One of the first seven messages in the following table displays as info text at the top of the Tax Notification page. The specific information that displays is determined by the Remove Notification, Tax Notification, and IRS Report statuses.

The SUPPLEMENTAL Text displays between the 1098-T representation and the Supplemental Summary.

The HELP text is displayed from the HELP link on the Tax Notification page.

Message	Text
`NOT_READY`	A representation of the Tuition Statement form 1098-T is shown below. We will not be able to furnish this important tax information to you or the Internal Revenue Service, as required information is missing. Please contact the Student Accounts office immediately.
`REMOVED`	Form 1098-T is not scheduled to be sent to you for this Tax Year. Please contact Student Accounts if there is any question.
`READY` (Student='R')	A representation of the Tuition Statement form 1098-T is shown below. This important tax information will be sent to you and furnished to the Internal Revenue Service. Select links on the reported amounts to review the associated detail.
`SENT_STUDENT` (Student='S', IRS not 'F' or 'S')	A representation of the Tuition Statement form 1098-T is shown below as sent to you. This important tax information will be furnished to the Internal Revenue Service. Select links on the reported amounts to review the associated detail.

Message	Text
SENT_IRS	A representation of the Tuition Statement form 1098-T is shown below as sent to you. This important tax information has been furnished to the Internal Revenue Service. Select links on the reported amounts to review the associated detail.
EXCLUDED	A representation of the Tuition Statement form 1098-T is shown below. This will not be sent to you or to the Internal Revenue Service as the amounts do not require reporting. Select links on the reported amounts to review the associated detail.
SENT_FILE	A representation of the Tuition Statement form 1098-T is shown below. This important tax information has been forwarded for processing. Select links on the reported amounts to review the associated detail.
SUPPLEMENTAL	Select links on the Tax Report Descriptions below to see additional detail which may be helpful in determining the amount to claim for Hope Scholarship or Lifetime Learning Credit.
HELP	This is important tax information to be furnished to the Internal Revenue Service. If any information is incorrect please contact Student Accounts immediately.

3 Reports and Processes

This section contains information about the Student tax-related process and reports within Accounts Receivable. Reports and processes are listed in alphabetical order according to their seven-character names. For each report or process, you will find the following:

- Description of the purpose and function
- A table of parameters and their related information, including the valid values and required/optional status
- Sample output

1098 Student Tax Notification Process (TSP1098)

Description This process pulls existing data from Banner and populates the Tax Notification for Student table (TTBTAXN).

Note
You will want to run the TSP1098 process during non-peak hours or on the weekend. ■

Parameters	Name	Required?	Description	Values
	Process Run Mode	Yes	Official mode will populate the tables and will not allow further deletes. If test data exists, it is removed and replaced. Test mode will delete data in the Notification Tables and repopulate them.	*O* Run process in Official mode *T* Run process in Test mode
	Tax Year	Yes	Year for which you are reporting information **Note:** A valid Qualified Charges Billed and Scholarships or Grants rule must exist for the Tax Year.	Valid tax year in YYYY format
	Re-run Indicator	No	When adding new students, search the database for any students not previously selected who meet the criteria and insert a record. When recalculating after a change to a reportable rule, update existing records that have not been sent to the student, or insert a new record marked *(R)eady to Send* for those students who previously received the 1098-T tax notification. For additional detail about this indicator, refer to the section entitled, “Re-Run mode” on page 3-8. **Note:** The rerun indicator applies only after the first run of this process in Official mode.	*A* Add new students *R* Recalculate when rules have changed *B* Both.

Parameters *(cont)*	Name	Required?	Description	Values
	Enroll Codes to Exclude	No	This process will select all students enrolled in a term that matches the **Terms in Tax Year** field from the Qualified Charges Billed rule for the tax year being processed, unless the student's status is excluded in this parameter. This is a repeating parameter, so you can enter multiple enrollment codes to exclude.	Enrollment Code Validation Form (STVESTS)
	Name Type Code	No	Allows you to specify which name you want on the 1098-T tax notification record. This is a repeating parameter, so you can enter multiple name type codes and the match with the most recent date will be used.	Name Type Validation Form (GTVNTYP)
	Address Selection Date	No	Effective date for an address. The default value is the system date.	Enter date in DD-MON-YYYY format.
	Address Type Code	Yes	Enter the address type to be extracted. Multiple requests are permitted and must be entered in priority sequence. This is a repeating parameter, so you can enter multiple address type codes.	Address Type Code Validation Form (STVATYP)
	SSN Hierarchy	Yes	Allows you to select the priority of the source from which Banner will retrieve the student's social security number.	Specify which of the following hierarchies Banner will use: *1* SPAPERS, SPAIDEN *2* SPAPERS *3* SPAIDEN

Parameters *(cont)*	Name	Required?	Description	Values
	Enrollment Option	Yes	The parameters *A* (Frozen Adjusted Hours) and *B* (Frozen Billing Hours) can only be selected if Banner Financial Aid is installed. Further, to select either of these two parameters, the RORENRL process must have been run for the tax year terms. If either of the frozen enrollment options is selected, the RORENRL data will be reviewed. If no RORENRL record exists (student not aided), then the process will look at the end of term enrollment for that student.	*E* End of Term Enrollment *A* Frozen Adjusted Hours *B* Frozen Billing Hours
	Credit Hrs Halftime Enrollment	Yes	Define the credit hours that constitute half-time enrollment for undergraduate students at your institution. This parameter is used in setting the *At least half-time* indicator as related to Hope Scholarships for undergraduates.	
	Graduate Level Code	No	Define which codes are graduate level at your institution. This parameter is used in setting the *Graduate Student* indicator. This is a repeating parameter, so multiple codes may be entered.	Level Code Validation Form (STVLEVL)
	Application ID	No	Enter the application ID. Used for population selection.	Application Inquiry Form (GLIAPPL)
	Selection ID	No	Enter the selection ID. Used for population selection.	

Parameters *(cont)*	Name	Required?	Description	Values
	Creator ID	No	Enter the creator ID. Used for population selection.	
	User ID	No	Enter the user ID. Used for population selection.	

Processing Detail

The TSP1098 process will first select all students enrolled in a term that matches the Terms in Tax Year field from the Qualified Charges Billed rule for the tax year being processed. For students who received a 1098-T in a prior year who are no longer enrolled, the process checks for any reportable transactions in the current year to identify adjustments and inserts a tax notification record. Reportable amounts are calculated and the receivable records updated for those AR transactions that have been reported.

This process can be run in Mass mode or with a Population Selection. When this process is run using a population selection, then the process only looks at students in the popsel to determine if they meet the selection criteria.

You can run TSP1098 in test mode or official mode.

Test mode allows you to review data for accuracy and completeness. When run in test mode, data in the Notification tables for the tax year is deleted and repopulated.

Official mode should only be run once you have reviewed your tax data for accuracy and completeness. Official mode populates the Notification tables and will not allow further deletes. If test data exists, it is removed and replaced. You may re-run the process in Official mode to recalculate amounts or add new students. Recalculation is only applicable if you have changed a reportable rule in the current tax year.

Retrieving Data

When populating 1098-T tax notification forms for these students, the process retrieves data from the following locations:

1. Student Name - Banner uses the matching Name Type with the most recent activity date. If no Name Type is entered or matched, the default is the current name on SPAIDEN.

2. Student address - The TSP1098 process retrieves address type in order of parameter priority. Address must also be active.

3. SSN of Student - The process retrieves the student SSN per parameter priority. SSN is considered to be valid if it meets the following edits: nine numeric positions; does not begin with *000*.

4. *At least half-time student* indicator is selected for any student who has been enrolled for half time or more for any term in the tax year. The institution chooses the source for enrollment information and decides what defines half time as parameters to the process.

5. *Graduate student* indicator is selected for any student with an SFBETERM or SHRTTRM record who was a graduate-level student for at least one term that begins in the tax year.

The TSP1098 process sets all Student Notification Statuses and all IRS Notification Statuses to (*R*)*eady to Send* when all required data elements have been entered, or to *(N)ot Ready to Send* if name or address information is incomplete.

Reportable Amounts

The procedure `ttkmods.P_Reportable_Amounts` is called by the TSP1098 process to calculate values to be reported on the 1098-T, as described below.

- When in Recalculation mode, the four 1098-T tax fields in TBRACCD are reset to null if previously marked as reported in the current tax year.
- Receivable transactions in TBRACCD for which the greater of effective date or entry date is in the current tax year are filtered by the Tax Rules for Qualified Charges Billed and Scholarships or Grants rules for all tax years; eligible amounts (reflecting pro-ration, if applicable) are inserted into the new Global Temporary Table (TTTTAXC).
- Any duplications due to terms that appear in rules as future in one year and regular terms in the next are removed.
- Transactions are summed by term.

- For Qualified Charges Billed
    - net increases are added to the “Amounts billed for qualified tuition and related expenses” box amount
    - net decreases are added to the “Adjustments made for a prior year” box amount.
- For Scholarships or Grants
    - net increases are added to the “Scholarships or Grants” box amount
    - net decreases are added to the “Adjustments to scholarships or grants for a prior year” box amount.
- For net change of zero
    - transactions related to terms of the current tax year are marked as reported in “Amounts billed for qualified tuition and related expenses” box or “Scholarships or Grants” box, as applicable.
    - transactions related to terms of a prior tax year are marked as reported in “Adjustments made for a prior year” box or “Adjustments to scholarships or grants for a prior year” box, as applicable.
- Records in the Temporary Table are used to update the four 1098-T tax fields in TBRACCD. These fields are defined in the following chart.

TBRACCD Tax Fields

Fields	Descriptions
Tax Report Year	Tax year in which transaction is reported
Tax Report Box	*CB* Charges billed (Box 2) *AC* Adjustments to charges made for a prior year (Box 3) *SG* Scholarships or grants (Box 4) *AS* Adjustments to scholarships or grants for a prior year
Tax Future Indicator	*Y (Yes)* Transaction is considered a future term at the time it was reported to the IRS *Null* Transaction is not considered a future term at the time it was reported to the IRS.
Tax amount	The tax amount matches the transaction amount unless the transaction is a pro-rate allocation, based on the pro-rata rule window on TSATAXR. **Note:** The sign is reversed if a Pay Detail Code is included in a Qualified Charges Billed rule or a Charge Detail Code is included in a Scholarships or Grants rule.

Re-Run mode

After the initial official run of TSP1098, you may need to re-run the process when new students have been enrolled and or a change is made to a Charges Billed or Scholarships or Grants tax rule in the current Tax Year. The Re-run Indicator parameter allows you to pick up new qualifying students and/or recalculate reportable amounts.

Only records with an IRS status not equal to *(S)ent* are evaluated for recalculation.

- For records with a Student status of *(S)ent* or *(E)xcluded* (where IRS status is not *Sent*), if any amount is different due to a change in a rule, the existing record is left intact and a new one is inserted and marked *(R)eady to Send*. This retains a history of data sent and allows a revision to be sent to the student.

Note

When reprinted, the Correction box of the 1098-T is not marked, as this does not represent a correction to a record previously sent to the IRS. Once a record has been sent to the IRS, it will be necessary to submit a manual correction to both the student and the IRS.

- If Student status is (*N)ot Ready to Send*, or (*R)eady to Send*, the existing record is updated with revised amounts.
- When recalculating existing records, TSP1098 counts the number of records for each of the following categories:

  Records with no change

  Records updated

  Records inserted

  Not evaluated as previously sent to IRS
- When adding new students, TSP1098 calculates a count of records created based on Students Enrolled and Prior Year Adjustments.

Recalculation Table

This table summarizes the impact of recalculation on records depending on the specific Student or IRS status. It also indicates if records will be updated or duplicated, or were not evaluated as previously sent to the IRS.

Student Status	IRS Status	Records with no Change	Update existing record (any amount or future indicator revised due to change in rule)	Duplicate record created (any amount or future indicator revised due to change in rule)	Not evaluated as previously sent to IRS
Not Ready to Send	Not Ready to Send	x	x		
Ready to Send	Ready to Send	x	x		
Excluded	Excluded	x		x	
Sent	Ready to Send	x		x	
Sent	File Created	x		x	
Sent	Sent				x

Tax Notification Process Error Report

The error report identifies students missing required data elements and indicates whether name, address, or social security number (SSN) is missing. Student and IRS status notifications will be set to *(N)ot Ready to Send* for all students who are missing name and/or address data. If only the SSN is missing, student and IRS status notifications will be set to *(R)eady to Send*. You can use the information from this report to identify setup problems and identify students from whom you need to solicit additional information before you complete your reporting cycle.

In the event that enrollment or prior year notification data exists for a student who has been deleted from the database (no SPRIDEN record), the missing PIDM is reported.

Tax Notification Process Control Report

This report lists parameters entered in addition to the following information.

- Number of students extracted with a status of *(R)eady to Send.* These students are enrolled and have a valid name or address. So, if SSN is blank, the TSATAXN record is still set to *(R)eady to Send*. According to IRS regulations, institutions must still provide the 1098-T even if SSN is blank or invalid.
- Number of students extracted with a status of *(N)ot Ready to Send*. These students are enrolled, but the name and/or address information is missing.
- Number of enrolled students found with no record in SPRIDEN table.
- Number of students extracted with a status of *(R)eady to Send* due to adjustments made for a prior year. (These students are no longer enrolled, but were extracted since they have adjustments to a prior year to report).
- Number of students extracted with a status of *(N)ot Ready to Send* due to adjustments made for a prior year (These students are no longer enrolled, but were extracted because they have adjustments to a prior year to report.)
- Number of students previously reported with no record in SPRIDEN table.
- Number of records updated when running recalculations in rerun mode.
- Number of new records inserted when running recalculations in rerun mode.
- Number of records not recalculated when run in rerun mode because the IRS Notification Status is either *(S)ent* or *(F)ile Created.*

Report Sample - TSP1098 Error Report

```
PPAGE      1
TSP1098 5.4.1                                                          Banner University
RUN DATE 01/05/2004                                               1098 Student Tax Notification                                  RUN TIME 05:23 PM
                                                                Missing Information Error Report
Student ID Last Name          Message 1                 Message 2             Message 3
------- -- ---- ----          ------- -                 ------- -             ------- -
876223451   Appleby           Missing Name              Missing Address
326776443   Constance                                   Missing Address
783562006   Fiddlestein                                 Missing Address
B20000033   Miller                                                            Missing SSN
000000045   Simstone          Missing Name                                    Missing SSN
900000048   Smothers                                    Missing Address       Missing SSN
999000046   Stefano                                                           Missing SSN
126735247   Swing             Missing Name              Missing Address
748271238   Waller                                      Missing Address
356251872   Whitford                                    Missing Address
```

Report Sample - TSP1098 Control Report, Test Mode

```
PAGE      2TSP1098 5.4.1                                                   Banner University
RUN DATE 01/05/2004                                                   1098 Student Tax Notification
RUN TIME 05:23 PM                                               * * * REPORT CONTROL INFORMATION* * *

                                                             Parameters have been entered via Job Submission.

Parameter Name & Value
_______________________
Parameter Seq No: 1367329
Report Mode: T
Tax Year: 2003
Ests Code:WD
Ntyp Code: TAX
Ntyp Code: LEGL
Address Selection Date: 05-JAN-2004
Atyp Code: 1TX
Atyp Code: 2PR
Atyp Code: 3MA
Atyp Code: 4HO
SSN Hierarchy: 1
Enroll Option: E
Halftime Credit Hours: 6
Level Code: GR**
Number of Students
**Enrolled
      Ready to send: 657
      Not Ready to send: 6
Prior Year Adjustments - increases and/or reductions
      Ready to send: 34
      Not Ready to send: 2
Line Count: 55
```

Report Sample - TSP1098 Control Report

Re-run TSP 1098 Control Report in Official mode with Both Recalculation and Add Students

```
PAGE      2
TSP1098 5.4.1                                   Banner University
RUN DATE 03/05/2004
                                             1098 Student Tax Notification
RUN TIME 04:23 PM
                                         * * * REPORT CONTROL INFORMATION* * *

                                      Parameters have been entered via Job Submission.
Parameter Name & Value
_______________________

Parameter Seq No: 1473622
Report Mode: O
Tax Year: 2003
Re Run Process: B
Ests Code: WD
Ntyp Code: TAX
Ntyp Code: LEGL
Address Selection Date: 05-MAR-2004
Atyp Code: 1TX
Atyp Code: 2PR
Atyp Code: 3MA
Atyp Code: 4HO
SSN Hierarchy: 1
Enroll Option: E
Halftime Credit Hours: 6
Level Code: GR
** Number of Students **
Enrolled
      Ready to send: 9
      Not Ready to send: 6
Prior Year Adjustments - increases and/or reductions
      Ready to send: 3
      Not Ready to send: 1
** Recalculation **
      Not evaluated as previously sent to IRS:
      Records with no change: 654
      Records updated: 5
      Records inserted: 40
Line Count: 55
```

1098 Student Tax Report (TSR1098)

Description Use this report to print student 1098-T notifications or to produce the IRS file.

Before running this report, you will need to complete the TSA1098 form with information for the transmitter and the institution.

The 1098 report produces two files: the `TSR1098.lis` file (1098-T notifications) and the `IRS1220.dat` file (flat file for IRS submission).

Note

To easily review data in the `IRS1220.dat` file, run the TSR1098 report in TEST mode (parameter 02=T) with the Generate IRS File parameter (parameter 08) set to *Y* and the File Type parameter (parameter 09) left blank. If you use a standard text editor to open the resulting file, the report will display each record of 750 characters in a separate row.

Parameters	Name	Required?	Description	Values
	Tax Year	Yes	Year for which you are reporting information.	Valid Year (YYYY)
	Run Mode: Official/Test/ Reprint	Yes	Official mode will update student status from *(R)eady to Send* to *(S)ent* when parameter 03 is set to *S* or *I*. Official mode will update IRS status when parameter 08 is set to *Y*. Test mode will print the 1098-T notifications and produce the IRS report. This mode will not update the statuses. Reprint mode reprints 1098-T notifications on demand for a student or a group of students. To use this mode, you must use the population selection parameters: Application Code, Selection Identifier, Creator ID, and User ID. This mode updates the student notification date. No IRS media are generated. **Note:** You must use population selection in order to use Reprint mode.	*O* Official *T* Test (default) *R* Reprint

Parameters *(cont)*	Name	Required?	Description	Values
	Form Print - Student / IRS / None	No	Specify whether you want Banner to print the student 1098-T notifications and the format you want to use. The Student format can be used when an institution files 1098-T information magnetically/ electronically and is only printing 1098-T forms for student mailings or institution use.	*I* IRS format. Use when filing paper 1098-T forms with the IRS. *N* Do not print 1098-T notifications (default) *S* Student format. Use this format when you file 1098-T information magnetically/electronically and print 1098-T forms for student mailings or institution use. **Note:** When TSR1098 runs in Official mode, and this parameter is set to *I* or *S*, the Student Status field on TSATAXN will be updated from *(R)eady to Send* to *(S)ent* (if printed to a form) or *(E)xcluded* (when record matches exclusion values).
	Printer Type (1)-Dot (2)-Laser	Yes	Choose whether you print to a dot matrix or a laser printer.	*1* Dot matrix printer *2* Laser printer

Parameters *(cont)*	Name	Required?	Description	Values
	Exclude Option 1-4	Yes	Select the conditions for which you do not want to generate a 1098-T for a student. Amounts are compared according to IRS regulations without regard to indicators in box 6, 8, or 9.	*1* Print or issue 1098-Ts for all students and/or the IRS. *2* Do not print or issue 1098-Ts for students and/or the IRS when all amounts are zero. *3* Do not print or issue 1098-Ts for students and/or the IRS when Scholarship and Grants (SG) amounts exceed or equal Charges Billed (CB) and when all other amounts are zero. *4* Do not print or issue 1098-Ts for students who meet the criteria specified in either option 2 or 3.
	Sort Option 1-4	Yes	Choose how you want records sorted.	*1* Sort by ZIP code, name, then by social security number (SSN). *2* Sort by ZIP code, SSN, then by name. *3* Sort by SSN, then by name. *4* Sort by name, then by SSN.
	USA Nation Codes	No	Enter all nation codes designated as USA on STVNATN. Prints the nation description on the 1098-T paper forms for student addresses designated as foreign (non-USA), and identifies the students as foreign in the IRS file. This is a repeating parameter, so multiple codes can be entered.	If the nation code is not blank or one of the values entered on this parameter, then the address will be deemed foreign.

Parameters *(cont)*	Name	Required?	Description	Values
	Generate IRS File (Y/N)	Yes	Specify whether you want Banner to create the IRS flat file.	*Y* Create IRS flat file. *N* Do not create IRS flat file. **Note:** When TSR1098 runs in Official mode and this parameter is set to *Y*, the IRS Status field on TSATAXN is updated from *(R)eady to Send* to either *(S)ent* or *(E)xcluded* (when record matches exclusion values).
	File Type	No	Not used at this time.	Values entered in this parameter will be ignored.
	Prior Year Data	No	Specify whether you are reporting prior year data after the last IRS submission date for that year. See IRS publication 1220 for more details.	*P* Report on prior year data. *blank* Report on current year data.
	Orig. /Test/Repl.	Yes	Enter the type of file. See IRS publication 1220 for more details.	*O* Original file (default) *R* Replacement file *T* Test file
	Replacement Alpha Character	No	Not used at this time.	Values entered in this parameter will be ignored.
	Electronic File Name	No	Not used at this time.	Values entered in this parameter will be ignored.
	Application ID	No	Enter the application ID. Used for population selection.	
	Selection ID	No	Enter the selection ID. Used for population selection.	

Parameters *(cont)*	Name	Required?	Description	Values
	Creator ID	No	Enter the creator ID. Used for population selection.	
	User ID	No	Enter the user ID. Used for population selection.	
	OPE ID Code	No	Enter the Office of Postsecondary Education Identifier code. Required if Generate IRS File = *Y.* **Note:** This is used with the Student PIDM to create a unique identifier for the IRS record.	Characters 1-6 contain the OPE code and must be numeric. Characters 7-8 contain the two-digit campus code and can be numeric or zero.

Student 1098-T Notifications

If the parameter (03) for this selection is set to *S* (Student format), the `TSR1098.lis` creates Student 1098-T Notifications for printing on continuous feed dot matrix or laser cut sheet paper. To print on pre-printed laser forms, you must perform the following steps:

1. Copy the `TSR1098.lis` file to `TSR1098.ps` (post-script file).
2. Open `TSR1098.ps` in a text editor. Enter the valid laser printer code at the beginning of the `TSR1098.ps` file. Refer to your laser printer manual for the code specific to your printer. Adjust margin or spacing settings as necessary.
3. Enter the appropriate command for your environment to print on a laser printer. Tax Notification information prints for all students with a Student Notification Status of *(R)eady to Send* on the TSATAXN form, unless manually excluded by Remove Notification or based on the Exclusion parameter entered. When this process is run in Official mode, it also sets the Student Notification Status indicator to *(S)ent)* or *(E)xcluded.*

IRS File

The TSR1098 process produces the IRS flat file (`irs1220.dat`) if the Generate IRS File parameter (08) for this selection is set to *Y* (*Yes*). When this process is run in Official mode, it also sets the IRS Report Status indicator to *(S)ent* or *(E)xcluded.*

See IRS publication 1220 for IRS record layout and instructions for transmitting electronic file or sending tape information.

1098 Student Detail Tax Report (TSRTRAF)

Description Use this process to produce a flat file of tax notification data to send to third-party services and/or to print the detail for reported amounts and/or selected supplemental tax report codes for the given tax year. This detail may be included in student 1098-T notification mailings.

Parameters	Name	Required?	Description	Values
	Tax Year	Yes	Year for which you are reporting information.	Valid Year (YYYY)
	Run Mode O (Official) T (Test)	Yes	Official mode updates notification statuses. Test mode does not update any notification statuses.	*O* Official *T* Test
	Student Notification Date	No	To print detail data for students whose student notification status has been changed to *(S)ent.* enter the associated student notification status date. Banner will print the detail for these students only.	Date in DD-MON-YYYY format
	Print Reported Details (Y/N)	No	Setting this parameter to *Y* (Yes) will print the detail of reported amounts, summarized by term and detail code and the start date of the term is printed in the date field. For additional information, refer to the Student Selection table in the section labelled "Printed Detail" on page 3-22.	*Y* Yes, print detail *N* Do not print detail
	Print Supplemental Detail	No	Enter Supplemental code(s) that you want to print. This is a repeating parameter, so multiple codes can be entered. Date field may be null on the report and source of description may vary depending on summarization of rules on TSATAXR. **Note:** The comment entered on TSATAXR will print for each supplemental rule	Valid values are supplemental tax codes for the tax year.

Parameters *(cont)*	Name	Required?	Description	Values
	Print Sort Option	Yes	Choose how you want students sorted. **Note:** SSN will print on the report when option 2 or 3 is chosen.	*1* Sort by ZIP code, name, then by social security number (SSN). *2* Sort by ZIP code, SSN, then by name. *3* Sort by SSN, then by name. *4* Sort by name, then by SSN.
	Generate Flat File (Y/N)	No	Controls the production of the flat file for third-party processors. **Note:** When TSRTRAF is run in Official mode and this parameter is set to *Y*, then the following occur: (1) Student Notification status is updated from *(R)eady to Send* to *(S)ent* (if student record is sent to a third-party processor) or *(E)xcluded* (if student record matches exclusion values and is not sent to a third-party processor), and (2) IRS Report status is updated from *(R)eady to Send* to *(F)ile Created* (if record is included in the third-party flat file) or *(E)xcluded* (if record matches an exclusion value and is not included in the third-party flat file).	*Y* Create flat file *N* Do not create flat file
	OPE ID Code	No	Enter the office of post secondary education code. Required if Generate Flat File = *Y*. **Note:** This code is used in populating records of the flat file, and to name the file itself.	Characters 1-6 contain the OPE code and must be numeric. Characters 7-8 contain the two-digit campus code and can be numeric or zero.

Parameters *(cont)*	Name	Required?	Description	Values
	Exclude Option 1-4	Yes	Select the conditions for which you do not want to include students in the file. Indicators on the form, such as box 6, 8, or 9, are disregarded.	*1* Include all students. *2* Do not include students when amounts are zero. *3* Do not include students when Scholarship or Grants amounts exceed or equal Charges Billed and when all other amounts are zero. *4* Do not include students who meet the criteria specified in either option 2 or 3.
	USA Nation Code	No	Enter all nation codes defined by the institution to designate USA. This is a repeating parameter, so multiple codes can be entered.	Nation Code Validation Form
	F4 Detail File F5 Detail File F6 Detail File F7 Detail File	No	Up to four distinct sets of transaction detail are included in the TSRTRAF flat file. This may include detail of reported amounts, or detail from a supplemental rule. **Note:** For reported amounts, detail is summarized by term and detail code and the start date of the term populates the date field position. For supplemental amounts, date field may be null in the flat file and the source of description may vary depending on the summarization of rules on TSATAXR.	Allowable values include any supplemental report code or the following: *BoxCB* Charges billed *BoxAC* Adjustments to Charges *BoxSG* Scholarships and Grants *BoxAS* Adjustments to Scholarships and Grants
	Application ID	No	Enter the application ID. Used for population selection.	

Parameters *(cont)*	Name	Required?	Description	Values
	Selection ID	No	Enter the selection ID. Used for population selection.	
	Creator ID	No	Enter the creator ID. Used for population selection.	
	User ID	No	Enter the user ID. Used for population selection.	

Printed Detail

The TSRTRAF process prints detail for a selection of students (excluding those with the Remove Notification check box selected), when one of the following parameters is valued as noted.

- Parameter 04 (Print Reported Details Y/N) is set to *Y* (Yes) to print detail of reported amounts
- Parameter 05 (Print Supplemental Detail) has at least one valid Supplemental Tax Report Code entered

Student Selection

Value of Student Notification Date (Parameter 03)	Value of Population Selection (Parameters 15-18)	Students Selected to Print
populated	null	Student Notification = *(S)ent* Student Notification Date = value in parameter 03
populated	populated	Student Notification = *(S)ent* Student Notification Date = value in parameter 03 Student is in the Population Selection.

Value of Student Notification Date (Parameter 03)	Value of Population Selection (Parameters 15-18)	Students Selected to Print
null	null	Student Notification = *(R)eady to Send*
null	populated	Student Notification = *(R)eady to Send, (S)ent, or (E)xcluded* Student is in the Population Selection.

Report Sample - TSRTRAF

```
Name: Oliver Openhauser                                                            ID: TRA000015  Zip Code: 73221


  Detail of Charges Billed                             Total:          9,479.00

       Term            Code     Description                              Amount                  Future Tax Year   Pro-rata
       200429          FEES     Fees                                     429.00
       200429          PRO      Comprehensive Fee                         50.00                                    Yes
       200429          T101     Tuition Charge                         9,000.00


  Detail of Scholarships or Grants                     Total:            300.00

       Term            Code     Description                              Amount                  Future Tax Year   Pro-rata
       200419          EXPT     Exemption Payment                        300.00


  Eligible Charges                                     Total:         12,479.00
     May include those reported in a previous year as future transactions.

       Reported In     Term     Description                              Amount  Eff date        Future Tax Year   Pro-rata
       2003 Box 2      200429   Tuition Charge                         3,000.00  15-DEC-2003     Yes
       2004 Box 2      200429   Fees                                     429.00  18-JAN-2004
       2004 Box 2      200429   Comprehensive Fee                         50.00  18-JAN-2004                       Yes
       2004 Box 2      200429   Tuition Charge                         9,000.00  18-JAN-2004


  Eligible Payments                                    Total:          5,460.00
     Payments received during the calendar year, which may be a basis for a tax claim.

       Reported In     Term     Description                              Amount  Eff date        Future Tax Year   Pro-rata
                       200419   Federal Direct Parent Loan             5,460.00
```

Flat File Layout

Standard TRA File Header	1 per campus file
HH - File Transmission Header	1
Standard TRA Student Data Loop	1 to *n* students per campus

SS - Student Identification Record	1 per student
DD - Student Demographic Record	0 or 1 per student
B1 - Student Box 1 Amount	0 or 1 per student
B2 - Student Box 2 Amount	0 or 1 per student
B3 - Student Box 3 Amount	0 or 1 per student
B4 - Student Box 4 Amount	0 or 1 per student
B5 - Student Box 5 Amount	0 or 1 per student
B6 - Student Box 6 Indicator	0 or 1 per student
B7 - Student Box 7 Amount	0 or 1 per student
Box 8 - Student Box 8 Indicator	0 or 1 per student
Box 9 - Student Box 9 Indicator	0 or 1 per student
F4 User Defined Financial Transaction Record	0 to 100 records per student - total F4 - F7
F5 User Defined Financial Transaction Record	
F6 User Defined Financial Transaction Record	
F7 User Defined Financial Transaction Record	
Standard TRA File Trailer	1 per campus file
TT - File Transmission Trailer	1/1

Transmission Header Record

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*HH*
2	3	10	8	OPE ID code	Positions 1-6 contain the OPE code value and must be numeric. Positions 7-8 contain the two-digit campus code and can be numeric or zero.
3	11	50	40	School Name - Optional	
4	51	58	8	Transmission Date	MMDDCCYY
5	59	62	4	Tax Year	CCYY
6	63	63	1	Transmission Mode Indicator	*T* Test *P* Production
7	64	65	2	CR/LF	

Student Identification Record

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*SS*
2	3	10	8	OPE ID code	Positions 1-6 contain the OPE code value and must be numeric. Positions 7-8 contain the two-digit campus code and can be numeric or zero.
3	11	19	9	Social Security Number (See note following field # 5)	Numeric

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
4	20	20	1	Record Usage Indicator	*Blank* Not a Correction/IRS Correction. *I* Correction/IRS Correction; will cause a correction 1098-T to print and mail. *N* Correction/IRS Correction; will not print a correction 1098-T.
5	21	29	9	Previously-provided SSN (See note)	Numeric

Note: If you are not correcting the social security number (SSN), provide the original SSN in positions 11-19. Positions 21-29 should be blank unless you are providing an SSN change.

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
6	30	33	4	Credit Units - Optional	Numeric with two decimal points assumed. Do not use this field unless you are instructed to do so.
7	34	53	20	School Defined ID - Optional	
8	54	55	2	Campus Code - Optional	
9	56	57	2	CR/LF	

Student Demographic Record

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*DD*
2	3	22	20	Last Name	Alphanumeric
3	23	42	20	First Name	Alphanumeric
4	43	43	1	Middle Initial	Alphanumeric or blank
5	44	83	40	Student Address line 1	Alphanumeric
6	84	123	40	Student Address line 2	Alphanumeric
7	124	163	40	Student City	Alphanumeric; for foreign addresses, enter city, state/ province, postal code
8	164	165	2	State	Valid postal two-character state code.
9	166	174	9	Zip Code	Alphanumeric or blank
10	175	177	3	APO/FPO	Alphanumeric. Use APO or FPO as needed.
11	178	217	40	Foreign Country Name	Alphanumeric; use only for non-USA addresses.
12	218	219	2	CR/LF	

Box 1 record - Payments Received for Qualified Tuition and Related Expenses

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B1*
2	3	14	12	Amount	Numeric; right-justified; zero-filled; last two digits are cents
3	15	16	2	CR/LF	

Box 2 record - Amounts Billed for Qualified Tuition and Related Expenses

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B2*
2	3	14	12	Amount	Numeric; right-justified; zero-filled; last two digits are cents
3	15	16	2	CR/LF	

Box 3 record - Adjustments Made for a Prior Year

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B3*
2	3	14	12	Amount	Numeric; right-justified; zero-filled; last two digits are cents
3	15	16	2	CR/LF	

Box 4 record - Scholarships or Grants

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B4*
2	3	14	12	Amount	Numeric; right-justified; zero-filled; last two digits are cents
3	15	16	2	CR/LF	

Box 5 record - Adjustments to Scholarships or Grants for a Prior Year

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B5*
2	3	14	12	Amount	Numeric; right-justified; zero-filled; last two digits are cents
3	15	16	2	CR/LF	

Box 6 record - Amount in Box 1 or 2

Box 6 record - Amount in Box 1 or 2 includes amounts for an academic period beginning Jan-March 2004

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*B6*
2	3	3	1	Indicator	*1 or Y* Yes *Blank, 0, or N* No
3	4	5	2	CR/LF	

Student Payments or User Defined Transaction Record (optional)

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*F6*
2	3	10	8	Transaction Date	MMDDCCYY
3	11	40	30	Transaction Description	Alphanumeric
4	41	48	8	Transaction Amount	Numeric; right-justified; zero-filled; last two digits are cents
5	49	50	2	CR/LF	

Student Grants or User Defined Transaction Record (optional)

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*F7*
2	3	10	8	Transaction Date	MMDDCCYY
3	11	40	30	Transaction Description	Alphanumeric
4	41	48	8	Transaction Amount	Numeric; right-justified; zero-filled; last two digits are cents
5	49	50	2	CR/LF	

Transmission Trailer Record

Field#	Start Pos	End Pos	Length	Description	Valid Field Content
1	1	2	2	Record Type	*TT*
2	3	10	8	OPE ID code	Positions 1-6 contain the OPE code value and must be numeric. Positions 7-8 contain the two-digit campus code and can be numeric or zero.
3	11	18	8	Transmission Date	MMDDCCYY
4	19	26	8	Total Student Submission Count	Numeric
5	27	34	8	Total File Records (include header and trailer records)	Numeric
6	35	36	2	CR/LF	

A Frequently Asked Questions (FAQs)

1. What Supplemental rules may provide helpful information to students?

   One Supplemental rule might help identify eligible transactions reported in different tax years when the same term is included in one year's rule as future and the subsequent year's rule as current. The Supplemental rule would have the same Terms, Category and Detail code, and pro-ration rules as a similar Reportable rule, but would not specify any Start or End Date.

   Another Supplemental rule might be used to display all eligible payments for the calendar year. The Supplemental rule would not specify any Terms, and the Category and Detail codes would allow inclusion of all eligible payments and loans received between the Start and End dates of the Tax Year.

   Together, these rules would provide detail to the student to help determine the amount they may claim as a deduction, which can occur in a different year from when the transaction was reported to the IRS.

2. We ran TSP1098 in Official mode before we were really ready. Can we just delete the TTBTAXN records for the year to start over?

   No. Because certain records in TBRACCD have also been updated, it is important to reset the records in TTBTAXN and use the TSP1098 process to refresh the Accounts Receivable data.

```
UPDATE TTBTAXN
SET TTBTAXN_TEST_MODE_IND = ‘Y’
WHERE TTBTAXN_TAX_YEAR = &Year
```

3. We ran TSR1098 in Official mode to print, but did not mail the 1098-T. How do we reset the indicators to re-run?

```
UPDATE TTBTAXN
SET TTBTAXN_STUD_NOTIF_STATUS = 'R',
TTBTAXN_STUD_NOTIF_DATE = TRUNC(SYSDATE)
WHERE TTBTAXN_TAX_YEAR = &year
AND TTBTAXN_STUD_NOTIF_STATUS IN ('S','E')
AND TTBTAXN_STUD_NOTIF_DATE = TRUNC('&date','DD-MON-YYYY')/
```

4. We ran TSR1098 in Official mode to generate the IRS file, but did not transmit the file. How do we reset the indicators to re-run?

```
UPDATE TTBTAXN
SET TTBTAXN_IRS_REPORT_STATUS = 'R',
TTBTAXN_IRS_REPORT_DATE = TRUNC(SYSDATE)
WHERE TTBTAXN_TAX_YEAR = &year
AND TTBTAXN_IRS_REPORT_STATUS IN ('S', 'E')
AND TTBTAXN_IRS_REPORT_DATE = TRUNC('&date','DD-MON-YYYY')/
```

5. We ran TSRTRAF in Official mode to Generate a flat file, but did not transmit the file. How do we reset the indicators to re-run?

```
UPDATE TTBTAXN
SET TTBTAXN_STUD_NOTIF_STATUS = 'R',
TTBTAXN_STUD_NOTIF_DATE = TRUNC(SYSDATE),
TTBTAXN_IRS_REPORT_STATUS = 'R',
TTBTAXN_IRS_REPORT_DATE = TRUNC(SYSDATE)
WHERE TTBTAXN_TAX_YEAR = &year
AND TTBTAXN_IRS_REPORT_STATUS IN ('F', 'E')
AND TTBTAXN_IRS_REPORT_DATE = TRUNC('&date','DD-MON-YYYY')/
```

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W

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