Publication 119

Education Expense Credit General Rules and Requirements for Home Schools

About this publication

Publication 119, Education Expense Credit General Rules and Requirements for Home Schools, provides home schools the requirements for qualified education expenses.

The objectives of Publication 119 are to

- identify who may take an education expense credit for a home schooled child.
- identify qualified education expenses for home schooled students.
- identify education expenses that do not qualify for home schooled students.
- list required attachments to Form IL-1040, Individual Income Tax Return, for parents or guardians of home schooled children who are claiming an education expense credit.
General Information

May I claim an education expense credit for my home schooled child? ........................................2

You may figure a credit for qualified education expenses, in excess of $250, you paid for your home schooled child during the tax year if

- you were the parent or legal guardian of a full-time student who was under the age of 21 at the close of the school year,
- you and your student were Illinois residents when you paid the expenses, and
- your student attended a school providing educational instruction in a home that satisfies the requirements of the truancy law in Section 26-1 of the School Code [105 ILCS 5/26-1].

Note: If you are the parents or legal guardians of a qualified student and you are filing separate Illinois returns, you may each claim an education expense credit. However, you both may not claim a credit for the same expenses, and the total amount of credit claimed between both parents or guardians may not exceed $750 for tax years ending on or after December 31, 2017 or $500 for tax years ending prior to December 31, 2017, regardless of the number of qualifying students.

Note: For tax years ending on or after December 31, 2017, an education expense credit is not allowed if the taxpayer's adjusted gross income for the taxable year exceeds $500,000 for returns with a federal filing status of married filing jointly, or $250,000 for all other returns.
**What are qualified education expenses for home schooled students?**

In general, qualified education expenses are the amounts paid in excess of $250 for tuition, book rental, and lab fees for a student who is in the equivalent of kindergarten through twelfth grade at a home school during the regular school year. Specifically, qualified education expenses for home schooled children include the amount of:

- **tuition** paid for a student who was in the equivalent of kindergarten through twelfth grade. This includes fees paid for the child to satisfy physical education class requirements at a private facility such as a health club.
- **fees for the purchase of student's workbooks or teacher's grade books** that are significantly used up during the activities of the class. These expenses qualify even if they were paid to an out-of-state company.
- **book rental fees** paid for the rental of books that were required as part of the student’s education program.
- **curriculum rental fees** paid for the rental of educational items such as lectures or class lessons on DVD or tape.
- **lab fees** paid for the use of supplies, equipment, materials, or instruments that were required as part of a lab course in the student’s education program.

Lab courses include those courses, for which the student will receive credit toward graduation, that provide an environment for organized activity involving observation, experimentation, or practice, *i.e.*, science, music, art, or language.

*Note* Any purchased equipment, materials, or instruments that are significantly used up by the assignments and activities of the lab are considered qualified lab fees.

- **shipping charges** paid to receive a qualified item.
- **sales or use taxes** paid when purchasing a qualified item.

**What home school education expenses do not qualify for an education expense credit?**

Education expenses that do not qualify for an education expense credit include the amount of:

- **expenses paid to purchase** items that are not significantly used up during the student’s participation in the class (*e.g.*, non-consumable textbooks, flash cards, wall maps, calculators, etc.).
- **expenses paid to purchase** an item that will remain the personal property of the student, parent, or legal guardian at the end of the school year (*e.g.*, payments made toward the purchase of a band instrument or athletic equipment).
- **mileage or travel expenses** paid to travel to school, lab activities, or field trips.
- **expenses paid for tutoring or enrichment classes** that do not count toward meeting the required curriculum.

**How much credit will I be allowed?**

You will be allowed 25 percent of your student’s qualified education expenses after the first $250. Your total credit may not exceed $750 for tax years ending on or after December 31, 2017 or $500 for tax years ending prior to December 31, 2017, regardless of the number of qualifying students.

**How should I figure a credit for education expenses, and what must I attach to my Form IL-1040 when I claim this credit?**

For tax year:

- 2017 and after, you must complete Schedule ICR, Illinois Credits, including the K-12 Education Expense Credit Worksheet, Lines 10 and 11, to figure a credit for education expenses.

  Attach Schedule ICR.

- 2008 - 2016, you must complete Schedule ICR, Illinois Credits, including Section B, Lines 12 and 13, to figure a credit for education expenses.

  Attach Schedule ICR.

- 2007 and earlier, see the return instructions for the year you are filing.

*Note* Write “home school” as the school name in Column D of Schedule ICR.

You must also attach receipts for education expenses paid for the qualifying student(s) during the calendar year. We will not accept a cancelled check as a receipt. The receipts must show:

- the type and amount of education expenses paid for each qualifying student during the calendar year,
- the calendar year during which the education expenses were paid,
- the name and address of the business to whom the expenses were paid, and
- the name of the parent or guardian who paid.

*Note* All information on the receipts is confidential information for use only as supporting documentation of the education expense credit claimed and shall not be used for any other purpose.