

Qualifying Home School Expenses for K-12 Education Subtraction and Credit

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Income Tax Fact Sheet 8a

Minnesota forms you may need: M1, M1ED, M1M

Fact Sheet

Minnesota has two programs — the K–12 education subtraction and the K–12 education credit — to help families pay expenses related to their child’s kindergarten through 12th grade (K–12) education. Both programs lower the tax you must pay and may even provide a larger refund when you file your Minnesota income tax return.

In general, expenses that qualify for *either* the subtraction or the credit include:

- purchases of required materials and miscellaneous fees for use **during** the normal school day,
- instructor fees and tuition for enrichment classes or instruction taken **outside** the normal school day or school year, provided the instructor is not the child’s sibling, parent or grandparent, and
- computer hardware and educational software.

Qualifying expenses that apply *only for the subtraction* include instructor fees and tuition for classes taken **during** the regular school day.

Taxpayers who home school their children may have questions about which education expenses are required as part of a “normal school day” (that is, expenses commonly required and purchased for subjects normally taught in public school grades K–12). This fact sheet should help answer questions about qualifying home school expenses for the K-12 education subtraction and credit.

This fact sheet is used to supplement the information provided in Fact Sheet 8, *K-12 Education Subtraction and Credit*. For details on the eligibility and documentation requirements, general qualifying educational expenses, and limitations of the education subtraction and credit, see Fact Sheet 8, *K-12 Education Subtraction and Credit*.

Expenses for use during the normal school day

Below are common examples of qualifying expenses for subjects normally taught in K–12 public school.

Instructional materials

Your cost to purchase instructional materials qualify if materials are *required* and used in class during the normal school day. Instructional materials may include:

paper	pens	pencils
erasers	notebooks	rulers
chalk or markers	home economics	art supplies
shop supplies	supplies	computer paper

The cost to purchase additional materials and special supplies may also qualify if the materials are used for shop, home economics, art, dance, music, physical education or other classes.

Do not include expenses for materials used to set up a home school, such as desks, whiteboards, etc. These types of expenses do not qualify.

Books

Your expenses paid for most nonreligious books qualify if the books are used in teaching subjects normally taught in public schools. Common examples include:

textbooks	academic books	reading books
music books	art books	science books
math books	teacher’s editions	

Do not include any expenses for reference books (e.g., sets of encyclopedias, dictionaries, thesaurus, etc.), books used to teach religion, or for books used outside the normal school day.

Equipment

The purchase or rental of educational equipment (e.g., musical instruments, calculators and other equipment not normally provided by the school) qualify if they are used for class during the normal school day.

The cost for equipment that is normally provided by the school does not qualify. This type of equipment may include major shop machines and tools, major kitchen appliances, etc.

Likewise, if physical education is part of the home-school curriculum, the cost for equipment that is normally provided by the school does not qualify, such as weight-lifting equipment, trampolines, swimming pools and other similar sporting equipment. Reasonable expenses for required materials normally supplied by the child, such as tennis shoes and gym clothes, would qualify.

Miscellaneous fees

Testing fees for grade advancement, entrance fees, transportation costs paid to others for class trips taken during the normal school day are qualifying expenses.

Do not include fees for PSAT, SAT or ACT; your expenses for food, lodging or other nonacademic expenses; or membership fees to museums, zoos, etc.

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Income Tax and Withholding Division
Phone: 651-296-3781 or 1-800-652-9094
Email: individual.incometax@state.mn.us

This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters or otherwise changes any provisions of the tax law, administrative rules, court decisions or revenue notices. Alternative formats available upon request.

Instructor fees for after-school enrichment programs

In general, qualifying expenses include instructor fees or tuition paid for enrichment classes taken outside the normal school day and taught by a qualified instructor who is not the child's sibling, parent or grandparent. (See Fact Sheet 8, *K-12 Education Subtraction and Credit*, for more information on qualified instructors.)

Your qualifying expenses include instructor fees paid for after-school enrichment programs, science exploration, study habits, music lessons, dance lessons, voice lessons, academic tutoring, drivers education courses if offered as part of the curriculum, etc.

Only instructor fees paid for direct academic instruction by a qualified instructor qualify as a subtraction or credit. Do not include any books or materials used during the after-school program.

Computer hardware and educational software

Qualifying computer expenses include your costs for a personal computer, printer, monitor, CD-ROM drive, modem, additional hard drives, memory upgrades, adaptive equipment for students with disabilities or educational software. Any software purchased must have a clear educational purpose.

Do not include your costs for computer games without educational value and any monthly Internet fees.

For limits to the amount of computer expenses you are able to subtract or claim as a credit, see Fact Sheet 8, *K-12 Education Subtraction and Credit*.

Expenses qualifying for the subtraction only

The following expenses qualify only as a subtraction; they do not qualify for the education credit:

- private school tuition
- tuition for college courses that are used to satisfy high school graduation requirements
- tuition for summer school classes that are used to satisfy high school graduation requirements
- fees/tuition paid to a qualified instructor who is not the child's sibling, parent or grandparent to provide instruction to your qualifying child during the normal school day for physical education classes, music lessons, math instruction, etc.

Fees paid for membership or facility use at the YMCA, sports clubs or other such organizations do not qualify.

Expenses that do not qualify

Expenses that *do not qualify* for either the subtraction or credit include purchases of materials for use **outside** the normal school day, and fees paid to others for transporting your child to and from activities **outside** the normal school day.

Common expenses that do not qualify for either the subtraction or credit include:

- cell phones
- fees paid for membership in an association (e.g., YMCA, sports or health clubs, museums, zoos, Home Based Education Accredited Association, etc.)
- seminars for the parent
- diagnostic fees to decide what assistance the child needs
- fees for PSAT, SAT or ACT
- fees or tuition for correspondence schools
- fees paid for extracurricular academic instruction provided by a sibling or lineal ancestor (parent or grandparent) of the child
- travel expenses, lodging, transportation and meals for overnight class trips (only instructor fees paid for direct academic instruction is allowed for either the credit or the subtraction)
- materials and miscellaneous expenses paid for use in after-school programs, tutoring, enrichment programs and academic camps (only instructor fees paid for direct academic instruction is allowed for either the credit or the subtraction)
- books and materials used in any extracurricular activities (e.g. sporting events, music, drama, speech, etc.)
- equipment that is normally provided by the school (e.g., gym equipment, major shop equipment, kitchen appliances, etc.)
- materials used for setting up a home school (e.g. desks, whiteboards, demo kits, maps, globes, etc.)
- expenses for books, materials and fees paid for a program that teaches religious beliefs
- expenses for pre-kindergarten classes or nursery schools
- expenses for classes after the student has left high school
- fees for nonacademic programs including sports camps, lessons or equipment (e.g., martial arts classes, baseball camp, etc.)
- printed encyclopedias or reference materials
- monthly Internet access fees
- meals, room and board

Information and Assistance

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

Website: www.revenue.state.mn.us

Email: individual.incometax@state.mn.us

Phone: 651-296-3781 or 1-800-652-9094

We will provide information in other formats upon request to persons with disabilities.