

March 10, 2016

William J. Wilkins
Chief Counsel

Blaise G. Dusenberry
Senior Technical Reviewer (Procedure & Administration)

Office of Chief Counsel
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224

Dear Ms. Dusenberry and Mr. Wilkins:

On behalf of the higher education associations listed below, I write regarding the move to mandatory reporting for Box 1 of IRS Form 1098-T—a move we believe will result in unintended and negative consequences for both institutions and students. We share the concerns raised by the National Association of College and University Business Officers (NACUBO) in their letter to you dated February 29, 2016 and respectfully ask you to delay implementation until these concerns can be fully addressed.

The vast majority of our institutions do not have the ability to modify their complex software systems in time to meet the new reporting requirement. Colleges and universities of all sizes operate complex financial data management and administration systems that are best modified using solutions from their software vendors that are then customized to fit their specific set up. Once these vendor solutions are available, institutions will still need time for implementation, staff training, and testing. We note that even if new systems were fully up and running today, many institutions have already billed students (during late 2015 and early 2016) for 2016 tax year educational expenses using old systems that do not allow for accurate Box 1 reporting.

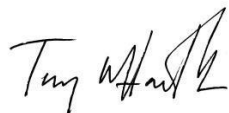
We strongly support efforts to make it easier for students to claim education benefits and to ensure accuracy of reporting. However, a rush to implement mandatory Box 1 reporting will be counterproductive to achieving these shared goals. We ask that you delay implementation of this change and work with NACUBO and other members of the higher education community to develop supplemental guidance for institutions and taxpayers.

Higher Education letter on Box 1 of IRS Form 1098-T

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Sincerely,



Terry W. Hartle
Senior Vice President

TWH/law

On behalf of:

American Association of Collegiate Registrars and Admissions Officers
American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
Association of Community College Trustees
Association of Governing Boards of Universities and Colleges
Association of Jesuit Colleges and Universities
Association of Public and Land-grant Universities
College and University Professional Association for Human Resources
Council for Christian Colleges & Universities
EDUCAUSE
National Association of Independent Colleges and Universities
National Association of Student Financial Aid Administrators
UNCF

cc:

John Koskinen, Commissioner, IRS
John Dalrymple, Deputy Commissioner for Services and Enforcement, IRS
Sunita Lough, Commissioner, Tax Exempt and Government Entities Division, IRS
Karen Schiller, Commissioner, Small Business/Self-Employed Division, IRS
Rob Malone, Director, Examination Policy, Small Business/Self-Employed Division, IRS
Mark Mazur, Assistant Secretary for Tax Policy, Treasury
Janet McCubbin, Director, Individual Tax Analysis, Office of Tax Policy, Treasury
Rochelle Hodes, Attorney-Advisor, Office of Tax Policy, Treasury
Brendan O'Dell, Attorney-Advisor, Office of Tax Policy, Treasury
John Walda, President and Chief Executive Officer, NACUBO

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