

Income Tax Fact Sheet 8a, Qualifying Home School Expenses for K-12 Education Subtraction and Credit

This fact sheet contains information for taxpayers who home school their children and have questions about which home school education expenses qualify for the K-12 Education Subtraction and Credit.

For information on eligibility and documentation requirements, general qualifying educational expenses, and limitations of the education subtraction and credit, see Income Tax Fact Sheet 8, *K-12 Education Subtraction and Credit*.

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
- 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.

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. This may include:

- Paper/notebooks/computer paper
- Pens/pencils/erasers
- Rulers
- Chalk or markers
- Art supplies
- Shop supplies

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 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 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 normally provided by the school does not qualify, such as weight-lifting equipment, trampolines, swimming pools, and other similar sporting equipment. Fees paid for membership or facility use at the YMCA, sports clubs, or other such organizations do not qualify. Reasonable expenses for required materials normally supplied by the child, such as tennis shoes and gym clothes, would qualify.

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Miscellaneous Fees

Testing fees for grade advancement, entrance fees, and transportation costs paid to others for class trips taken during the normal school day are qualifying expenses. Do not include fees for: the PSAT, SAT, or ACT; your expenses for food, lodging, or other nonacademic expenses; or membership fees to museums, zoos, etc.

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.

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. See Income Tax Fact Sheet 8 for details.

Computer Hardware and Educational Software

Personal computer hardware and educational software purchased during the year for use in your home qualifies, as long as it is not used in a trade or business. Examples of qualifying hardware can include a personal computer, printer, monitor, CD-ROM drive, modem, additional hard drives, memory upgrades, and adaptive equipment for students with disabilities. Software must have a clear educational purpose. Computer games without educational value do not qualify.

Note: Monthly charges to a service provider for internet access do not qualify.

For limits to the amount of computer expenses you can subtract or claim as a credit, see Income Tax Fact Sheet 8.

Expenses Qualifying for the Subtraction Only

The following expenses qualify only as a subtraction and do not qualify for the credit:

- Private school tuition
- Tuition paid for college courses used to satisfy high school graduation requirements
- Tuition for summer school classes 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.

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 the 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 (sporting events, music, drama, speech, etc.)
- Equipment normally provided by the school (gym equipment, major shop equipment, kitchen appliances, etc.)
- Materials used for setting up a home school (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 (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

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