IMPORTANT NOTICE REGARDING TAX BENEFITS FOR HIGHER EDUCATION

The University is taking this opportunity to make you aware of two tax credits available to those who paid expenses for higher (postsecondary) education during 2010. The general provisions of the tax credit programs are described below. The Hope Credit is not available for 2010.

American Opportunity Credit The American Opportunity tax credit is available only for the first 4 years of postsecondary education. The maximum credit is up to $2,500 per eligible student. Individuals whose modified adjusted gross income (“MAGI”) is $90,000 or less, or $180,000 or less for married couples filing jointly, may qualify for the credit. A student must be pursuing an undergraduate degree and be enrolled at least half time for at least one academic period beginning during the tax year. In addition to tuition and required enrollment fees, course-related books, supplies and equipment may qualify as expenses even if not purchased from the University. For more information on eligibility for and calculation of the American Opportunity Credit, please visit www.irs.gov and enter “American Opportunity Credit” into the search box. The credit is also described in IRS Publication 17, Chapter 35.

Lifetime Learning Credit The Lifetime Learning tax credit is available for an unlimited number of years of postsecondary education, as well as for courses to acquire or improve job skills. The maximum credit is $2,000 per return. Individuals whose MAGI is $60,000 or less, or $120,000 or less for married couples filing jointly, may qualify. Tuition and required enrollment fees qualify as expenses. For more information on eligibility for and calculation of the Lifetime Learning Credit, please visit www.irs.gov and enter “Lifetime Learning Credit” into the search box. The credit is also described in IRS Publication 17, Chapter 35.

Prepayments Under a special rule for prepayments, if a payment is made during the tax year for an academic period that begins in the first three months of the following year, the academic period will be treated as if it began in the year the payment was made. In other words, for tax year 2010, payments made in 2010 for an academic period beginning during the first three months of 2011 can be included in qualified expenses for calculating the tax credit.

Reporting The University is required to file an information return on Form 1098-T with the IRS for each student on whose behalf payments were received. The student will receive a similar statement containing the same information on or about January 31, 2011.

Electronic delivery The University is excited to announce optional electronic delivery of 1098-T forms. When a student signs up for electronic delivery, an email will be delivered to their designated email account on the same day that the paper Forms are mailed. Electronic delivery is optional. If you wish to continue to receive paper 1098-T forms in the mail, no action is required. Students may sign up year round for electronic delivery by clicking on http://www.ecsi.net/gateway/1098t-signup.html?school=OY

Online Access- All students can now view and print online copies of their 1098-T tax forms for tax years 2006 through 2010. Visit www.ecsi.net/1098T and click on the “LOG IN” link near the
top of the page. You will need your School code, account number and PIN in order to log in. These are printed on the bottom of your 2010 1098-T form if you receive a paper form, or in the delivery email if you have opted for electronic delivery. You may also retrieve your login credentials on the ECSI website by clicking on "LOG IN" and then on "Need Help Logging in?"

**Statement of Account** A detailed 2010 Statement of Account is also available online, printed beneath the 2010 Form 1098-T. It can be accessed as described in the preceding paragraph. The Statement of Account lists all charges and credits, including payments, recorded in the student’s Kean University account during 2010 for the Spring 2010, Summer I and II 2010, Fall 2010, and Spring 2011 academic terms. Neither the 2010 Statement of Account, nor the 2010 Form 1098-T, will include expenditures made by the student for “course materials”. The student must use his/her own receipts.

Please understand that the University is not a tax authority. The information provided in this document is intended to make taxpayers aware of these potential tax credits and afford them the opportunity to take advantage of the IRS tax law. **This information does not and is not intended to provide either legal or tax advice. Accordingly, you may wish to seek information and advice from your tax advisor.**

We hope that you will find the information contained in this letter helpful. While we are unable to provide tax advice, you may call 866-428-1098 if you have any questions about your 1098-T.

Sincerely,

Philip Connelly
Executive Vice President, Operations