

PARENTS' BULLETIN

LOYOLA UNIVERSITY NEW ORLEANS

DECEMBER 2011



Payment Options Monthly Payment Plans

The deadline for enrolling in a monthly payment plan for the 2012 Spring Semester is **January 15, 2012**. For more information on these plans, go to

<http://finance.loyno.edu/student-finance/monthly-budget-plans>

You can now pay tuition on-line with your VISA or Mastercard or by electronic check at

<http://finance.loyno.edu/bursar/tuition-payments>

Frequently Asked Questions About the Billing Process

<http://finance.loyno.edu/student-finance/frequently-asked-questions>

Renewing Aid for 2012-2013

All students must annually complete the **Free Application for Federal Student Aid (FAFSA)** in order to participate in federal and state aid programs. Currently enrolled students should complete and submit the **2012-2013 FAFSA** application to the federal processor by **May 1, 2012**.

We would like to encourage all students who are comfortable working on the Internet to complete their applications online at <http://www.fafsa.ed.gov/>.

Our school code for the FAFSA is 002016.

Students also must meet set academic requirements in order to renew their institutional, state, and federal financial aid.

Satisfactory Academic Progress Standards

Guidelines for the major programs for undergraduate students are published at:

<http://www.loyno.edu/financialaid/undergraduate-satisfactory-academic-progress-policy> (federal aid)

<http://www.loyno.edu/financialaid/merit-scholarships-renewal> (institutional scholarships and grants)

<http://www.loyno.edu/financialaid/renewal-requirements-tops-scholarships> (Louisiana TOPS scholarships)

Merry Christmas!

Learn more about Christmas in New Orleans at <http://www.neworleanschristmas.com/>

Tax Credits and the 1098-T Form

The Taxpayer Relief Act of 1997 allows a tax credit to be claimed for out-of-pocket payments made to Loyola University New Orleans for the tax year for tuition and certain fees. The IRS requires that we provide the 1098-T statement to you for your use in completing IRS Form 8863. A detailed listing of charges, payments, grants and scholarships is available at our website through your LORA account at <http://www.loyno.edu/lora/>.

We recommend that you refer to that information to assist in determining the amount of credit which may be claimed on your behalf. This information must not be construed as tax advice. The amounts and calculations used to determine the credit are the decision of the taxpayer after consideration of relevant IRS regulations, Form 8863, and, perhaps, the advice of a tax consultant.

For more information, go to <http://finance.loyno.edu/student-finance/tax-credit-and-1098-t>

American Opportunity Tax Credit Extended

Under the American Recovery and Reinvestment Act (ARRA) signed into law by President Obama on February 17, 2009, textbook and other course material expenses incurred in 2011 that are not covered by scholarship or grant aid may be counted towards the newly created tax credit called the **American Opportunity Tax Credit** on that year's tax return.

According to the IRS, the new credit temporarily replaces and expands the previous Hope Credit, making the American Opportunity Tax Credit available to a broader range of taxpayers, including many with higher incomes and those who owe no tax.

It also:

- Adds required **course materials** to the list of **qualifying expenses**
- Allows the credit to be claimed for the first **four** post-secondary education years instead of **two**

Many of those eligible will qualify for the maximum annual credit of **\$2,500** per student, which is more than \$700 higher than the old Hope Credit, and, **for the first time**, will provide a partial refund of up to **\$1,000**.

For example:

If you or your student has out-of-pocket course material expenses or tuition and fees during 2011 and no other financial grant aid covers those expenses, you will be able to claim the expenses as a credit. For each student the credit is limited to \$2,500.

Let's say your federal tax liability for 2011 is \$2,000 before the American Opportunity Tax Credit and your student had \$5,000 in allowable higher education expenses. The first \$2,000 in out-of-pocket textbook purchases, tuition, and fees goes towards your tax credit at 100%. Everything over that is allowable at 25% up to a total credit per student of \$2,500. You would have a credit of \$2,000 plus \$500 of the remaining \$3,000 (25% of the expenses over \$2,000 up to an extra \$500 credit). Because this credit is partially refundable, the \$2,500 credit results in a refund of \$500! If your 2011 tax liability is zero and your student's textbook credits were \$2,500, you can receive a refund of \$1,000 because the credit is 40% percent refundable ($.40 \times \$2,500 = \$1,000$).

The National Association of College Stores is providing the information on this web site for general guidance only. The information on this site does not constitute legal advice, tax advice, accounting advice, or professional advice of any kind. There is no substitute for consultation with professional advisors based on the facts of each individual situation. NACS disclaims any liability whatsoever in connection with the accuracy or completeness of the material on this web site, or reliance on the general guidance provided.

Learn About the IRS Data Retrieval Tool

The Department of Education randomly selects a certain percentage of applications each year for schools to verify that the data provided on the FAFSA application is accurate.

The benefit (to families) of utilizing the IRS Data Retrieval Process is that it will greatly simplify and expedite the verification process. You will no longer have to submit complete copies of your federal tax returns to our office before we can finalize your federal aid eligibility.

The "IRS Data Retrieval" process for the 2012-2013 academic year is tentatively scheduled to be available starting February 1, 2012

- Electronically filed tax return information will be available online from the IRS site in 1-2 weeks after the return has been filed,
- Data from paper tax returns will be available in 6-8 weeks.

All **2012-2013 FAFSA On The Web** applicants, and the parents of dependent applicants, who indicate that they have filed their federal tax returns prior to completing their FAFSA and who are otherwise eligible will be directed to use the FAFSA-IRS Data Retrieval process to complete their FAFSA more easily and accurately.

Applicants who chose not to use the FAFSA-IRS Data Retrieval process, or who retrieve IRS data but subsequently change it, will be informed that they will need to explain to their institutions why information they provided is more accurate than the information that would have been obtained directly from the IRS. They will need to [provide information obtained directly from the IRS](#).

Some Families Will Not Be Able to Use This Tool

- A married independent applicant and spouse who filed separate tax returns;
- When the parents of a dependent student filed separate tax returns.
- An applicant or applicant's parent who have had a change in marital status after the end of the tax year on December 31, 2011.
- The applicant, or parent or spouse, as applicable, who have filed an amended tax return.

will not be able to use the "DRT". These families should [contact our office](#) for more information. Learn more at <http://www.loyno.edu/financialaid/irs-data-retrieval-process/>

On-Campus Resources Promote Student Success

- **Academic Resource Center** - <http://www.loyno.edu/arc>
- **Career Development Center** - <http://studentaffairs.loyno.edu/careers>
- **Disability Services** - <http://www.loyno.edu/arc/disability-services>
- **First Year Experience** <http://academicaffairs.loyno.edu/fye/>
- **Free Tutoring Services** <http://www.loyno.edu/fye/resources/academic.html#reetutoring>
- **University Counseling Center** <http://studentaffairs.loyno.edu/counseling>
- **University Ministry** <http://mm.loyno.edu/unity-ministry>
- **Writing Across the Curriculum** <http://www.loyno.edu/wac/>

“Super Committee” Fails to Reach A Deal

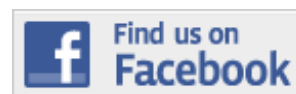
The bi-partisan committee that was established in Congress in August with the goal to identify an additional \$1.2 in cuts to the federal budget announced on November 21, 2011 that they failed to reach an agreement on how to make these budget cuts.

The Budget Control Act mandated the super committee to create the \$1.2 trillion in budget savings by midnight on Nov. 23. Failure to develop a deficit reduction plan triggers automatic, across-the-board cuts to certain government programs in the 2013 fiscal year (FY). (Check out how these cuts would impact student aid programs.) This gives Congress an entire legislative calendar year—and election year—before the automatic cuts (known as sequestration) could go into effect--plenty of time for Congress to pass legislation that would prevent these cuts.

The Congressional Budget Office estimates that sequestration would reduce nonexempt, discretionary spending by 7.8 percent in FY 2013. The National Education Association (NEA) estimates the impact of this 7.8 percent across-the-board reduction to nonexempt federal education programs would reduce funding for the Department of Education by \$3.54 billion. Pell Grants would be exempt from funding cuts, but FSEOG, Federal Work-Study, Federal TRIO Programs and GEAR UP would see a total of \$221.8 million in cuts, affecting millions of students.

We will be posting information as we receive it at <http://www.loyno.edu/financialaid/whats-next-budget-debate> .

KEEP IN TOUCH



You can also



Louisiana families should also check out



Office of Scholarships and Financial Aid
6363 St. Charles Avenue
Campus Box 206
New Orleans, LA 70118

(504) 865-3231
(504) 865-3233 fax

e-mail: finaid@loyno.edu
www.loyno.edu/financialaid/

Important Web Sites

Office/Program

Web Address

Student Finance Office

<http://finance.loyno.edu/student-finance>

Bursar's Office

<http://finance.loyno.edu/bursar>

Career Development

<http://studentaffairs.loyno.edu/careers>

Dining Services

<http://sdxcampusservices.com/loyno/>

Residence Life

<http://studentaffairs.loyno.edu/residential-life>

TOPS Scholarships

<http://www.osfa.state.la.us/>

Federal Student Aid

<http://studentaid.ed.gov/>

National Student Loan
Data System

http://www.nslds.ed.gov/nslds_SA/