

TUITION SCHOLARSHIP FOR SPOUSE, DEPENDENTS AND DOMESTIC PARTNERS

1) GENERAL

- a) The University of North Florida provides qualified tuition scholarship benefits for undergraduate and graduate level education to a spouse, dependent children or domestic partner of eligible full time faculty, administrative and support employees as approved by the Board of Trustees of the University. This procedure provides guidance with regard to administration of tuition scholarship benefits.
- b) It is the intention of this guide to be in compliance with the provisions of Section 117, 127 and 132 of the Internal Revenue Code.

2) ELIGIBILITY

- a) The tuition scholarship is available to a spouse, dependent children and domestic partner of a faculty, administrative and support staff employees who are:
 - i) Employed full time
 - ii) Employed at least six months in a budgeted position at the time of the dependent's registration
 - iii) In good employment standing
- b) A dependent child is considered as being claimed on the employee's most recent IRS Individual Income Tax Return
- c) The benefit is not available to dependents of part time budgeted employees, student employees, Adjuncts, Other Personnel Service (OPS) employees or dependents of deceased employees.
- d) Dependents of a terminated or resigned employee while participating in the qualified tuition scholarship program may be required to forfeit their tuition scholarship benefits as a result of such termination or resignation.

3) TAX ADMINISTRATION

- a) Pursuant to the provisions of Section 117, 127 and 132 of the Internal Revenue Code, relative to applicable employment income and taxation for qualified tuition scholarship:
 - i) Undergraduate level education is not treated as employment income and not taxable.
 - ii) Graduate level education is taxable for Federal income tax withholding, Social Security and Medicare taxes to the extent of the tuition scholarship amount; the **exception** from taxation is a graduate engaged in providing teaching and research assistant activities for the university.
 - iii) Tuition scholarship for a domestic partner in an undergraduate or graduate level education is taxable for Federal income tax withholding, Social Security and Medicare taxes to the extent of the tuition scholarship amount.
- b) Taxable tuition scholarship, as mentioned above, will be reported to the Payroll Office to ensure appropriate employee tax assessment and reporting requirements, e.g., annual W2 Wage and Tax Statement.

4) REFERENCES

For further information and procedures relative to this guide can be found at the following:

- [University Policy 4.0230P – Tuition Scholarship for Spouse / Dependents](#)

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- [Human Resources Office – Tuition Scholarship for Spouse, Dependent or Domestic Partner](#)
- [One Stop Student Services – Tuition Scholarship Program](#)