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## When it comes to full- or part-time student status, study time isn't the same as instruction time

By Jamie Golombek

*Tuition tax credits can go a long way to making post-secondary education affordable, but you have to read up on the rules=*

Post-secondary students can currently claim three primary tax credits to help them reduce their tax bills: the tuition, education and textbook credits. The tuition credit is a non-refundable credit and is worth 15 per cent of the amount of tuition fees, without limit. The education amount is a 15 per cent non-refundable federal credit of \$400 for each month of full-time post-secondary education, or \$120/month for each month of part-time schooling. The textbook amount is a similar credit, only available if you can claim the education amount and is worth \$9.75 per month for full-time post-secondary attendance or \$3 per month for part-time schooling.

If the student does not have sufficient income to use the credits in the year of attendance, up to \$5,000 can be claimed by the student's spouse or partner, or supporting parent or grandparent. Any remaining amount can be carried forward for use by the student in a future year.

The Liberal's 2016 budget announced the elimination of the education and textbook tax credits effective Jan. 1, 2017. No changes were made to the tuition tax credit and the carry-forward rules will continue to apply for education and textbook tax credits (as well as the tuition credit) that arose prior to 2017 but have not been claimed.

The tuition tax credit is also available to a Canadian student in full-time attendance at a university outside of Canada in a course leading to a degree to the extent that the tuition fees are paid for a course of at least three consecutive weeks. (There is no minimum duration requirement when the program is taken at a Canadian school.)

A tax case decided last month involved a student enrolled in a U.S. university who tried to claim a tuition credit for her tuition fees. The sole issue in the case was whether or not the student was in full-time attendance at the school. The university itself indicated her attendance as "part-time" on the Canada Revenue Agency slip.

Throughout the year in question, the student had a full-time job, consisting of 37.5 hours of work at pharmacy as well as working full days every other Sunday. In determining whether her attendance should be considered full-time or part-time, she tried to include her travel time to the U.S., which the judge did "not think is appropriate to consider as part of attendance, whether full-time or part-time."

The student maintained that she spent two or three hours, five days a week, at courses, doing course work, studying and doing course readings, totaling about 12.5 hours weekly.

The "syllabus hours" for the three courses she took during the year (one each semester), however, showed that the "hours equivalency guidelines" for instruction learning activities, excluding individual study hours, ranged between five to seven hours per week in the first semester and 9.25 hours "at best, on a liberal interpretation" for the second and third semesters.

The Judge concluded that the students' individual study hours were not the same as instructional hours "but rather reflect additional student work outside of instructional hours in a normal university setting."

As a result, the judge ruled that, since she wasn't in school full-time, she couldn't claim the tuition credit.

*Illustration by Chloe Cushman/National Post*

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