

Procedures for BYU 127 Plan:

Tuition benefit

When an employee is enrolled in a graduate program at BYU the tuition benefit may be taxable. BYU's 127 Plan allows graduate tuition up to \$5,250 paid for an employee to be tax exempt. Any graduate tuition benefit that exceeds \$5,250 annually is considered taxable and will be reported as a taxable fringe benefit to the employee.

In situations where the benefit is taxable, active employees will need to submit a completed "**Employee Graduate Tuition Taxation**" form to set up a tax withholding schedule from their paycheck during the semester of the tuition benefit is received. If the employee leaves employment with BYU before the taxes have been collected for the full amount of the tuition benefit, then the university will issue a 1099 for the balance of the benefit.

Educational Assistance to Pursue Degrees and Training from Other Universities

Please note that employees seeking degrees or training should first look to BYU programs. BYU will not pay for employees to obtain undergraduate degrees from other educational institutions.

BYU generally will not pay for employees to obtain degrees or training from other universities as a business expense. On rare occasions the university may approve a BYU department to use university funds to pay for an employee to complete a certification, graduate classes or obtain a graduate degree. If the exception is approved, and unless the class is required to keep their current job, the employee must pay the tuition costs and then seek reimbursement after successfully completing the course. The annual maximum amount that may be reimbursed in relation to an employee's pursuit of a degree or training at another university is \$5,250.

Applying for Educational Assistance to Pursue Degrees and Training from Other Universities

If an employee wants to pursue a degree or training from another university, they must apply for approval. This includes training and development to keep their current job. When a BYU department has identified a unique business need, the department may request to use university funds to pay for the employee to complete a certification, graduate classes or obtain a graduate degree from another university. The department should submit the "**Request for Educational Assistance at Other Universities**" form to the tuition benefit office for review and approval at least 60 days prior to the employee beginning the program.

Reimbursement for Education Assistance to Pursue Degrees & Training from Other Universities.

To apply for reimbursement the employee must have successfully completed the courses for which they are seeking reimbursement. Successful completion of courses is defined as receiving a passing grade of C or better for the course. The employee should complete **the “Request for Reimbursement for Educational Assistance Form”** and submit it along with a copy of a bursar’s itemized receipt for tuition charges and a copy of grades for the classes completed for that semester.

The request will need to be approved by both the department and the tuition benefit office before reimbursement will be issued.

TUITION BENEFIT FOR FACULTY, STAFF AND ADMINISTRATIVE PERSONNEL

(See Personnel Tuition Policy and Procedures in the University Electronic Handbook)

<https://policy.byu.edu> – must log into MyBYU

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REQUEST REIMBURSEMENT FOR EDUCATIONAL ASSISTANCE TO ATTEND OTHER UNIVERSITIES

BYU Benefits Services ♦ D240 ASB ♦ ext. 2-4716 ♦ fax. 2-0306 ♦ tuition_benefit@byu.edu

1. Before completing this request, please read the tuition benefit information found on the reverse side of (or accompanying page to) this form. It reviews University policy regarding educational assistance at other universities. Requests that do not conform to policy will not be approved.

_____ ← Please initial here to indicate that you have read and understand these instructions.

2. Completion of this form does not grant authorization.

3. Please complete the following:

Name of Employee (Last, First, Middle)

BYU ID Number _____

Department

Operating Unit

Mark full-time employment status:

Faculty Administrative Staff

Semester: FALL SPR SUM WIN

Year:

2022 2023 2024 2025 2026

4. Please provide a copy of your grades for the semester in which you are seeking reimbursement. This should be attached as a separate document.

5. Please provide an itemized receipt of tuition charges and payment for the semester in which you are seeking reimbursement. This should be attached as a separate document.

Employee Signature

Date

6. Required signatures: (Final approval rests with Benefits Services.)

Department Head

Date

Dean or Director

Date

Vice President

Date

For Benefits Services Use Only

DATE REQUEST for EDUCATIONAL ASSISTANCE WAS APPROVED _____
DATE

Benefits Office Approval Date

Amount to be Reimbursed \$ _____

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