From: facounselor@american.edu - To: sh6943a@american.edu - Cc: - Date: December 13, 2019 at 21:05



AUID: 4006943

#### Dear Simon:

A new scholarship payment has been received by the AU Financial Aid Office. You can review your award letter and revised <u>billing statement</u> online via the student portal.

# **Payment of Financial Aid**

Your scholarship funds will be paid to your student account once the semester has begun and once the payment has been received and processed by the Financial Aid Office. Unless otherwise specified in the terms of the scholarship, these funds will be credited first towards your tuition and fees charges. If the scholarship payment results in a credit on your student account, a refund will be generated for you. You do not need to submit a separate request to initiate a refund. Please allow 7-10 business days from the date the credit is created for the refund to be issued. A refund can be issued via a paper check to the mailing address on file or you can sign up for a direct deposit. Checks cannot be held for pickup, so please review your student portal to ensure that your mailing address and/or direct deposit information is accurate.

### **Enrollment**

If your enrollment changes, all or a portion of the award may need to be returned to the scholarship provider. If you are considering dropping a course, please contact our office to speak with your Financial Aid Counselor to find out more about the potential impact on the financial aid you are receiving.

### **Other Resources**

If you are receiving any additional awards from outside sources, you are required to <u>report these awards</u> to our office as it may impact your eligibility for institutional, state, and/or federal awards. These awards include, but are not limited to, scholarships, third party sponsors, and/or tuition benefits from your employers. Questions about the status of outside awards should be directed to the outside source.

# **Income Tax Implications**

Scholarship funds may be taxable income to you on both the state and federal level! Please refer to <a href="IRS">IRS</a>
<a href="Publication 970">Publication 970</a> "Tax Benefits for Education" for more information about the federal income tax implications of the awards you have received. You will receive an IRS form 1098-T from American University in January to include with your income tax return(s). Likewise, the income tax department in the state where you file your state income tax return can provide information pertaining to the taxibility of this award on the state level. It is recommended that you also keep a copy of all documentation you receive for any scholarships paid to you by AU or by outside agencies. International students should refer to <a href="IRS Publication 515">IRS Publication 515</a> "Withholding of Tax on Nonresident Aliens and Foreign Entities" for more information about the federal income tax implications."

Should you have any questions, please contact our office at facounselor@american.edu.

Sincerely,

