

## TurboTax® Guide – Free Edition, Tax Year 2018

### Introduction

#### **Purpose**

The objective of this guide is to detail how to enter various forms of higher education income and expenses into the Free Edition of TurboTax® (tax year 2018). It is best used as a supplement to [\*How to Complete Your 2018 Grad Student Tax Return \(and Understand It, Too!\)\*](#), my workshop on preparing your higher education income and expense numbers for entry into tax software or your tax return.

#### **Intended Users**

The intended users of this guide are graduate students with related US income and expenses who are US citizens or residents.

#### **Content Outline**

The six other documents comprising this guide cover how to enter into TurboTax®:

- “How to Enter Form W-2.” This document should be used by a graduate student who received a Form W-2 (typically an RA, TA, and/or GA).
- “How to Enter Form 1098-T.” This document should be used by a graduate student who received a Form 1098-T.
- “How to Enter Undocumented Fellowship, Scholarship, or Grant Income.” This document should be used by a graduate student who received non-compensatory income (fellowship, scholarship, and/or grant) that was not reported on any official tax form (perhaps only a courtesy letter).
- “How to Enter Undocumented Qualified Education Expenses.” This document should be used by a graduate student who did not receive a Form 1098-T or who had qualified education expenses not included on a Form 1098-T (common for graduate students still in coursework or enrolled in student health insurance).
- “How to Enter Estimated Tax Payments.” This document should be used by a graduate student who made estimated tax payments.

## TurboTax® Guide – Free Edition, Tax Year 2018

- “How to Enter Form 1099.” This document should be used by a graduate student whose fellowship income was reported on a Form 1099.

I recommend entering W-2 income first. Once you indicate to TurboTax® that you need to enter higher education expenses and income, you may need to jump among the other documents (aside from “How to Enter Estimated Tax Payments”) to find all the relevant instructions if you have both a 1098-T and undocumented income and/or expenses.

It is possible that TurboTax® will present its prompt screens to you in a different order from their order in this guide. If the sequence you are presented is different from the one included, try looking ahead in the guide to see if that prompt is covered later on.

### **Attributes of Avatar Used**

In this guide, I used an avatar as the taxpayer. To the extent that this avatar differs from yourself, you can expect it to have a different resulting tax return than yours.

Throughout all the documents in this guide, the information I entered regarding the avatar was:

- Full-time graduate student at one university
- Single
- Birthdate 7/1/1993
- Not a dependent
- Has no dependents
- Resident of WA state (no income tax)

### **How to Use Each Document**

Each document in this guide contains:

1. Preliminary remarks regarding the type of income and expenses covered in the document, including the numbers used for the avatar.
2. Page-by-page screenshots of how to accomplish the objective of each document accompanied by written instructions and references.
3. One or more screenshots of the portions of the prepared Form 1040 resulting from the instructions in the document.

## TurboTax® Guide – Free Edition, Tax Year 2018

Open your copy of TurboTax® and follow along with each document, entering your own information as demonstrated in the guide with the avatar's information. You may need to jump among "How to Enter Form 1098-T," "How to Enter Undocumented Fellowship, Scholarship, or Grant Income," and "How to Enter Undocumented Qualified Education Expenses" if you have multiple types of income and expenses to enter. Conclude by checking the Form 1040 generated by your software to make sure the same schedules/lines were filled in.

To preview the Form 1040 the software generates for you:

- In the left sidebar, click Tax Tools and then Tools.
- In the center pop-up, click 'View Tax Summary.'
- In the left sidebar, click 'Preview my 1040.'

### If You Have Questions

If you have a question on how to enter your numbers into TurboTax®, for instance if the guide's screenshots deviate from what your software shows you and you don't know how to move forward, please email me with your question and identify yourself as having purchased this guide.

If you have questions on what your numbers *are*, please enroll in [How to Complete Your 2018 Grad Student Tax Return \(and Understand It, Too!\)](#). The videos and worksheets in that workshop will likely answer your question, but if not, you may pose additional questions in one of the live Q&As.

### Disclaimer

Nothing in this guide constitutes tax advice, and I am not responsible for your tax return. TurboTax® did not review this guide, and it only reflects my experience as a user of the software. While I based this guide on the Free Edition of TurboTax®, TurboTax® may require you to upgrade to a paid version if your tax return becomes sufficiently complex.

Emily Roberts, PhD  
emily@PFforPhDs.com  
[Personal Finance for PhDs](#)