Finance and Operations Human Resources Policy B-5 (Employee Development), Section 5(h) states:

*SHSU’s Employee Education Assistance Program will be administered in a manner that ensures compliance with IRS code. A portion of the fees waived under this benefit may represent taxable income to the recipient. Please consult IRS Publication 970 or your tax advisor for more information.*

Please note:

Qualified tuition reduction pursuant to Internal Revenue Code § 117(d) for undergraduate level courses is nontaxable. Tuition reduction/exemptions for graduate level courses and other payments or reimbursements may be made to eligible participants during the calendar year for all or part of the cost of attending qualified educational courses up to an annual amount not to exceed the amount defined by the Internal Revenue Service ($5,250.00 for 2016) as excludable under a § 127 qualified plan.

Employees should reference Internal Revenue Service Publication 970 for both § 117 and § 127 details, in addition to consulting their tax advisor for further guidance.