

General Information Letter: Taxpayers whose dependent children have no Social Security numbers because of religious exemption are entitled to the education expense credit for qualifying expenses incurred for the children.

December 7, 2010

Dear:

This is in response to your letter dated October 4, 2010 in which you state the following:

We received the return correction notice which is not allowing our education expense credit for our children due to not furnishing our children's social security numbers.

We are members of the CHURCH/COMMUNITY and have filed Form 4029 exemption from social security with the IRS. We do not have social security numbers for our children due to religious beliefs. We are allowed to claim our children as dependents on our federal return. We ask that you allow us this credit under the same circumstances.

Thank you for providing copies of your federal return along with a statement regarding the approved Form 4029 exemption on file with the IRS. We have verified the information you provided and corrected your return showing an Education Expense Credit in the amount of \$313. Because you have paid this amount, you will receive a refund shortly for the above stated amount plus the interest and penalties you paid.

To avoid future rejections of your Illinois education expense credits due to the social security number verification process, please attach a copy of this letter along with your statement regarding the approved federal Form 4029 exemption certificate to your Illinois returns.

This is a general information letter which does not constitute a statement of policy that either applies, interprets or prescribes tax law. It is not binding on the Department. Should you have additional questions, please do not hesitate to contact our office.

Sincerely,

Heidi Scott
Staff Attorney -- Income Tax