P&S Orientation
Class of 2021
Information for all Students
OFFICE OF STUDENT FINANCIAL PLANNING

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OFFICE HOURS

MONDAY 9am - 5pm
TUESDAY 9am - 5pm
WEDNESDAY * 12 noon - 5pm
THURSDAY 9am - 5pm
FRIDAY 9am - 5pm

* We are closed to student traffic Wednesday mornings from 9 am to 12 noon. Students may phone 305-4100 with questions. We regret any inconvenience this may cause.
OFFICE OF STUDENT FINANCIAL PLANNING
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Summary of Common Federal Education Tax Benefits

Education tax benefits include both credits and deductions. A tax credit reduces the amount of income tax you may have to pay while a tax deduction reduces the amount of income subject to tax. Below, you'll see a chart highlighting the four most common education tax benefits. (Note: The American opportunity credit, lifetime learning credit and tuition and fees deduction will not be allowed unless the student receives a Form 1098-T from an eligible educational institution.)

<table>
<thead>
<tr>
<th>CREDIT / DEDUCTION</th>
<th>YOU MAY BE ABLE TO CLAIM IF:</th>
<th>QUALIFIED EDUCATION EXPENSES</th>
<th>MAX CREDIT / DEDUCTION ¹</th>
<th>TAX BENEFIT INCOME PHASE-OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Opportunity Credit (AOTC)</td>
<td>You pay the qualified education expenses for an eligible student i.e. yourself, your spouse or any dependent for whom you claim a Federal tax exemption.</td>
<td>Tuition, course-related books, supplies and equipment; required fees²</td>
<td>Up to $2,500 per eligible student per year</td>
<td>Single Filers: $80,000 - $90,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Maximum of four years (which includes any year a Hope Scholarship Credit was claimed)</td>
<td>Joint Filers: $160,000 - $180,000</td>
</tr>
<tr>
<td>Lifetime Learning Credit</td>
<td>You pay the qualified education expenses for an eligible student i.e. yourself, your spouse or any dependent for whom you claim a Federal tax exemption.</td>
<td>Tuition, course-related books, supplies and equipment; required fees²</td>
<td>Up to $2,000 per tax return, per year</td>
<td>Single Filers: $55,000 - $65,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Joint Filers: $110,000 - $130,000</td>
</tr>
<tr>
<td>Student Loan Interest Deduction</td>
<td>You (1) are legally obligated to pay the interest on student loan which funded qualified education expenses for yourself, your spouse or a dependent for whom you claimed a Federal tax exemption during the year the loan was originated; and (2) paid interest during the applicable tax year.</td>
<td>Tuition, course-related books, supplies and equipment (room and board, transportation required fees³)</td>
<td>Up to $2,500 per tax return, per year</td>
<td>Single Filers: $65,000 - $75,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Joint Filers: $130,000 - $150,000</td>
</tr>
<tr>
<td>Tuition and Fees Deduction</td>
<td>You pay the qualified education expenses for an eligible student i.e. yourself, your spouse or any dependent for whom you claim a Federal tax exemption.</td>
<td>Tuition, required fees³</td>
<td>Up to $4,000 per tax return, per year</td>
<td>Single Filers: $85,000 - $80,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Joint Filers: $150,000 - $160,000</td>
</tr>
</tbody>
</table>

¹ Married borrowers who file their taxes separately are not eligible for the described credits/deductions. In addition, there are restrictions to claiming benefits from more than one of the listed programs in a given tax year, and otherwise.  
² Measured against Modified Adjusted Gross Income.  
³ Only fees paid to the institution as a condition of enrollment or attendance.  
⁴ The AOTC is only available for the first four years of higher education.

This document is for informational purposes only. AccessLex is not a legal or tax advisor. Please refer to the IRS Publication 970 for more detailed information about all the tax benefits for education, including a complete list of tax benefits and tax treatments of scholarships and grants. For more information on taxes, education tax credits and deductions, please contact your tax advisor or the Internal Revenue Service.

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