

Taxpayer Relief

	American Opportunity Credit	Hope Credit	Lifetime Learning Credit	Student Loan Interest Deduction	Tuition and Fees Deduction
What is your benefit?	40% of credit may be refundable (limited to \$1,000)	Credits can reduce amount of tax you must pay	Credits can reduce amount of tax you must pay	Can deduct interest paid which can reduce the amount of income subject to tax	Can deduct expenses paid which can reduce the amount of income subject to tax
What is the annual limit?	\$2,500	\$1,800 credit per student	\$2,000 credit per family	\$2,500 deduction	\$4,000 deduction
What expenses qualify besides tuition and required enrollment fees?	Course-related books, supplies and equipment	None *	None *	Books, supplies, equipment, room and board, transportation, other necessary expenses	None *
What education qualifies?	First four years of undergraduate (postsecondary)	First two years of undergraduate (postsecondary)	Undergraduate and graduate; courses to acquire or improve job skills	Undergraduate and graduate	Undergraduate and graduate
What are some of the other conditions that apply?	Can be claimed for only four tax years (which includes years Hope Credit claimed); must be enrolled at least half-time in degree program; no felony drug conviction(s); cannot claim Hope Credit on same return	Can be claimed for only two tax years; must be enrolled at least half-time in degree program; no felony drug conviction(s)	None	Must have been at least half-time student in degree program	Cannot claim both deduction and education credit for same student in same year
In what income range do benefits phase out?	For single returns \$80,000 - \$90,000 or \$160,000 - \$180,000 for joint returns	\$50,000 - \$60,000 or \$100,000 - \$120,000 for joint returns	\$50,000 - \$60,000 or \$100,000 - \$120,000 for joint returns	\$60,000 - \$75,000 or \$120,000 - \$150,000 for joint returns	For single returns \$65,000 - \$80,000 or \$130,000 - \$160,000 for joint returns
Useful Links	http://www.nasfaa.org/redesign/taxbenefitsguide.html#hope http://www.irs.gov/faqs/content/0..id=200041..00.html http://www.irs.gov/pub/irs-pdf/p970.pdf http://www.finaid.org/otheraid/tax.phtml http://www.nacs.org/public/textbookaid/	http://www.nasfaa.org/redesign/taxbenefitsguide.html#hope http://www.irs.gov/faqs/content/0..id=200041..00.html http://www.irs.gov/pub/irs-pdf/p970.pdf http://www.finaid.org/otheraid/tax.phtml http://www.nacs.org/public/textbookaid/	http://www.nasfaa.org/redesign/taxbenefitsguide.html#lifetime http://www.irs.gov/faqs/content/0..id=200041..00.html http://www.irs.gov/pub/irs-pdf/p970.pdf http://www.finaid.org/otheraid/tax.phtml http://www.nacs.org/public/textbookaid/	http://www.irs.gov/pub/irs-pdf/p970.pdf http://www.finaid.org/otheraid/tax.phtml http://www.nacs.org/public/textbookaid/	http://www.nasfaa.org/redesign/taxbenefitsguide.html#tuitiondeduction http://www.irs.gov/individuals/article/0..id=96273.00.html http://www.irs.gov/pub/irs-pdf/p970.pdf http://www.finaid.org/otheraid/tax.phtml http://www.nacs.org/public/textbookaid/

Information courtesy of www.irs.gov (for the 2009 tax year).

CAUTION: You generally cannot claim more than one benefit for the same education expense. This chart outlines some differences among the benefits. Do not rely on this cart alone. Contact a tax specialist or financial advisor.

*Students in Midwestern disaster areas see IRS for exception.