

# Education Tax Credits 1098-T

# 8863 + NYS IT 272

► Your Name: \_\_\_\_\_

There are two tax credits for students, or their parents, who incurred “Qualified Education Expenses” at a post secondary “eligible educational institution”. Of the two credits, the vast majority of taxpayers will use the newest and most beneficial tax credit, The American Opportunity Credit (AOC). Below are some definitions and boxes to fill in with your information.

<b>Qualified Education Expenses</b>	AOC consists of tuition, related fees, books and other required course materials. The Lifetime Learning Tax Credit, (see below) consist of only tuition and fees.
<b>NYS College Tuition Credit</b>	Qualified education expenses consist only of undergraduate tuition and is applicable only to residents.
<b>Eligible Educational Institution</b>	Any school whose curriculum would qualify the student to apply for financial aid. Financial aid is not necessary to qualify for the education tax credits.
<b>Phaseout Rules</b>	If the Adjusted Gross Income (AGI) of a taxpayer is above a certain level, the credit is phased out gradually until the AGI reaches a level, where it is completely phased out. <b>NYS College Tuition Credit does not phaseout.</b>

**NEW IRS REQUIREMENT: NO 1098-T NO CREDIT OR DEDUCTION**

**I. THE AMERICAN OPPORTUNITY CREDIT FOR FIRST FOUR YEARS OF EDUCATION ATTACH 1098-T**

A credit of up to **\$2,500** per student (not tax return) **PHASEOUT:** SINGLE & HOH: \$80,000 – \$90,000 of AGI / MFJ: \$160,000 – \$180,000

STUDENT'S NAME	NAME OF INSTITUTION	STREET ADDRESS	FEDERAL ID NO.*	QUALIFIED TUITION & RELATED EXPENSES	Y E A R #	FOR NYS ONLY UNDERGRAD TUITION
YEAR 1	YEAR 2	YEAR 3	YEAR 4			

**The American Opportunity Credit (AOC)** is available to parents, or to students as long as he / she is not a dependent. The credit is computed on tuition and fees paid for enrollment at a post secondary educational institution leading to a degree or a certificate, student must be enrolled at least half time for at least one academic period during the calendar year and must not have been convicted of a drug felony. **THE CREDIT CAN ONLY BE CLAIMED FOR FOUR YEARS FOR EACH STUDENT.**

**II. THE LIFETIME LEARNING TAX CREDIT**

**ATTACH 1098-T**

A credit of up to **\$2,000** per tax return **PHASEOUT:** SINGLE & HOH: \$80,000 – 90,000 / MFJ: \$160,000 –180,000

STUDENT'S NAME	NAME OF INSTITUTION	STREET ADDRESS	FED ID NO.*	QUALIFIED TUITION & RELATED EXPENSES	FOR NYS ONLY UNDERGRAD TUITION

**The Lifetime Learning Tax Credit** of up to \$2,000 per tax return is available to the taxpayer, the spouse or dependent students or their families, for studies at a post secondary educational institution, including graduate studies. The credit may be claimed by degree candidate students or for attending non degree programs designed to acquire or improve job skills. The drug conviction restriction and half time enrollment do not apply to this credit.

\*FEDERAL ID NUMBER OF THE COLLEGE/UNIVERSITY IS REQUIRED FOR NYS CREDIT