



# Education tax credits and deductions: **Are you eligible?**

Here's what you need  
to know about the higher  
education tax benefits  
available for 2020.



## The American Opportunity Credit

Eligible students in their first four years of higher education may qualify for an annual credit of \$2,500 for education expenses like tuition and books.



## Student loan interest deduction

Student loan borrowers may be eligible to deduct up to \$2,500 in interest paid on student loans.



## Graduate student tuition waivers

Graduate students with qualified tuition reductions do not have to include the value of the reduction in the income they report.



## The Lifetime Learning Credit

Undergraduates, graduate students, and students taking professional degree courses may qualify for a credit of up to \$2,000.



## Tuition and fees deduction

Deduct up to \$4,000 of higher education expenses even if you don't itemize.

**529**

## 529 plan tax benefits

Depending on your state, savings in 529 plans that are used for qualified education expenses of up to \$10,000 may qualify for a tax credit or deduction.

## Have student loans?

Check IRS Publication 970, *Tax Benefits for Education*, or consult a personal tax advisor to find out if you're eligible for a tax credit or deduction.

Learn more about saving, planning, and paying for college at [salliemae.com](https://salliemae.com).

This information is accurate as of January 27, 2020.

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal, or accounting advice. Consult with a tax advisor for education tax credit and deduction eligibility.

The American opportunity credit and lifetime learning credit may not be allowed unless the student receives a Form 1098-T from an eligible educational institution. However, there are exceptions to this requirement. Please see IRS Publication 970 for more information.

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