



All American Best Tax Services LLC

Education credits - AOTC and LLC

An education credit helps with the cost of higher education by reducing the amount of tax owed on your tax return. If the credit reduces your tax to less than zero, you may get a refund. There are two education credits available: the American opportunity tax credit (AOTC) and the lifetime learning credit (LLC).

Don't overlook these important credits.

Who can claim an education credit?

There are additional rules for each credit, but you must meet **all** three of the following for both:

1. You, your dependent or a third party pays qualified education expenses for higher education.
2. An eligible student must be enrolled at an eligible educational institution.
3. The eligible student is yourself, your spouse or a dependent you list on your tax return.

Who cannot claim an education credit?

You cannot claim an education credit when:

- Someone else, such as your parents, list you as a dependent on their tax return
- Your filing status is married filing separately
- You already claimed or deducted another higher education benefit using the same student or same expenses (see Education Benefits: No Double Benefits Allowed for more information)
- You (or your spouse) were a non-resident alien for any part of the year and did not choose to be treated as a resident alien for tax purposes (find more information in Publication 519, U.S. Tax Guide for Aliens)

Compare the education credits

The education credits have some similarities but some very important differences. Find out which credit you qualify for, see our handy chart to compare the education credits.

- Find out more about the American opportunity tax credit



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- Find out more about the lifetime learning credit