Education tax credits and deductions: Are you eligible?

Here’s what you need to know about the higher education tax benefits available for 2018.

**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.

**The Lifetime Learning Credit**
Undergraduates, graduate students, and students taking professional degree courses may qualify for a credit of up to $2,000.

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

**Tuition and fees deduction**
This expired in 2017, but consult a tax professional or visit IRS.gov to see if it will be extended.

**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.

**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.