

# American Recovery and Reinvestment Act of 2009

The American Recovery and Reinvestment Act of 2009 provides tax relief for qualified student taxpayers or the qualified parent or guardian taxpayer of a qualified student dependent. Certain qualified expenses that are incurred for studying at GSCC may result in "a credit against tax liability."

The American Opportunity Credit is a replacement for the Hope Credit. The amount of the tax credit can be up to \$2,500 for four tax years (including any year(s) Hope Credit was claimed) per eligible student. Qualified students are those who are not receiving Pell grants, who have not completed the first four years of postsecondary education, who are enrolled at least half time for at least one term in an undergraduate degree or certificate program, and who are free of any felony drug conviction. The tax credit is 100% of the first \$2,000 and 25% of the next \$2,000 out-of-pocket costs of tuition and fees, and course-related books, supplies, and equipment.