

Taxpayer Relief Act of 1997

The Taxpayer Relief Act of 1997 provides tax relief for qualified student taxpayers or for 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."

For those not eligible to receive the American Opportunity Credit, the Lifetime Learning Credit is available. The amount of the tax credit can be up to \$2,000 for an unlimited amount of years per tax return. Lifetime Learning Credit is available for all years of postsecondary education and for courses to acquire or improve job skills. Qualified students are those who are not receiving Pell grants. There is no requirement that the student attends as much as half time, no degree requirement, and felony drug convictions are permitted. The tax credit is 20% of the first \$10,000 out-of-pocket costs of tuition and fees only.

Students should note that Gadsden State Community College does not furnish tax advice. Such financial advice can be obtained from a personal tax advisor. IRS Publication 970 contains information about the qualification requirements of these tax credit plans. Interested persons may obtain a copy of IRS Publication 970 from the IRS website at www.irs.gov. Gadsden State will mail a Tuition Statement (IRS Form 1098-T) by January 31st of the following year to applicable students. The Tuition Statement reports the amounts received during the year for qualified tuition and related expenses and provides the name and the telephone number of a Gadsden State contact person.