The Tax Payer Relief Act of 1997 established two new education tax credits, the Hope Scholarship Credit and the Lifetime Learning Credit. In 2009, the American Opportunity Credit was created. These credits may be available to students of Armstrong Atlantic State University or their families. A tax credit reduces the amount of income tax you may have to pay. Unlike a deduction, which reduces the amount of income subject to tax, a credit directly reduces the tax itself. For each student you can elect for any year only one of these credits. Tax payers may qualify for these credits depending on the adjusted gross income as listed on their federal tax return.

The Hope Scholarship Credit, which is in no way related to the State of Georgia Hope Scholarship Program, has been replaced for most taxpayers by the new American Opportunity Credit. For the few students that qualify, a Hope tax credit applies to students who are enrolled for the first two years of post secondary education. The student must be enrolled at least half time while pursuing an undergraduate degree or other recognized education credential. The annual maximum credit is up to $1800 per eligible student. Qualified expenses are tuition and fees required for enrollment during a calendar year. Again, most students who previously would qualify for a Hope credit should use the American Opportunity Credit as it benefits the student more financially.

The Lifetime Learning Credit is a tax credit for students enrolled in post secondary education and for courses to acquire or improve job skills. There is not a limit on the number of years the Lifetime Learning Credit can be claimed for each student. The maximum tax credit is up to $2000 per tax return. The student does not need to be pursuing a degree or other recognized education credential. This credit is limited to tuition and fees required for enrollment within a calendar year.

The American Opportunity Credit is a tax credit for students pursuing an undergraduate degree or other recognized education credential. It is available only for four tax years per eligible student. The maximum credit is $2500 per eligible student per year. The student must be enrolled at least half time for at least one academic period that begins during the tax year. Qualified expenses include tuition and fees required for enrollment. Qualified expenses also include course-related books, supplies, and equipment. These costs do not need to be purchased from the institution in order to qualify. The credit is available only for tax years 2009 and 2010.

All three credits may be available to AASU students or their families if they file a federal tax return and owe taxes. AASU has contracted with an outsourced agent ACS Educational Services to provide AASU students with copies of the IRS form (1098-T) they will need to apply for these credits. ACS Educational Services will mail the form 1098-T to AASU students. Students can also print their 1098-T from the ACS website, www.1098-T.com. AASU students can also print out their 1098-T from their SHIP account. Students who are unsure of their eligibility for these tax credits should contact their personal tax advisor. Students should not contact AASU for tax advice. Please review the IRS publication 970 for detailed information on these credits. ACS Educational Services can also be contacted at their customer service number 1-877-467-3821.