How does the Textbook Tax Credit work?

1. Buy your books
2. Keep your receipts
3. Check textbookaid.org to see if you’re eligible (if you make under $80,000 per year, you probably are)
4. File a tax return and get MONEY BACK FOR YOUR BOOKS!

American Opportunity Tax Credit at a Glance

- In 2009 and 2010, a tax credit of up to $2,500 (100% of the first $2,000 and 25% of the next $2,000) of the out-of-pocket costs for tuition and related expenses including course materials paid for during the taxable year
- Students are eligible for the first four years of college
- 40% of the credit is refundable with the maximum refundable amount of $1,000
- The phase-out for taxpayers with adjusted gross income in excess of $80,000 or $160,000 for married couples filing jointly (AGI phase-out limits are $90,000 individual, $180,000 married couples filing jointly)
- The plan will help an estimated 4 million additional students attend college than the previous tax credit
- The plan will provide $13.907 billion in estimated benefits for students and families in 2009 and 2010
- President Obama has proposed to make credit permanent

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