

Education Tax Benefits

Course Description

Today taxpayers must plan for their children's education. Touching on various topics such as qualified tuition programs (QTPs), scholarships and fellowships, this mini-course examines the tax treatment of costs related to education. Practitioners will learn the ins and outs of the tax benefits concerning education and will be able to identify those educational expenses that are deductible. Additionally, financial planning strategies and techniques are outlined to better prepare taxpayers for future educational costs.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

CPE Credits: 2 (CPA, EA)

Category: Taxes

Prerequisite: General understanding of federal income taxation.

Advanced Preparation: None

Passing Rate: 70%

Course Learning Objectives

Lesson 1: Education Tax Benefits

1. Identify deductible education expenses and travel costs under the requirements of Section 162.
2. Determine the qualified credit amounts under the HOPE ("American Opportunity") Credit and the requirements of Coverdell education savings accounts.
3. Identify the deductible amount to claim for Section 221 student loan interest and recognize the permissible benefits of Section 529 qualified tuition programs.
4. Specify the tax-free benefits of Section 117 scholarships and fellowships and who is eligible for a Section 132 qualified tuition reduction.
5. Identify educational incentives and financial aid requirements to meet college funding needs.