

## Lifetime Learning Credit

The Lifetime Learning Credit is for qualified tuition and related expenses paid for eligible students enrolled in an eligible educational institution. This credit can help pay for undergraduate, graduate and professional degree courses—including courses to acquire or improve job skills. There is no limit on the number of years you can claim the credit. It is worth up to \$2,000 per tax return.

## Who can claim the LLC?

To claim a LLC, you must meet all three of the following:

1. You, your dependent or a third party pay qualified education expenses for higher education
2. You, your dependent or a third party pay the education expenses for an eligible student enrolled at an [eligible educational institution](#)
3. The eligible student is yourself, your spouse or a dependent you listed on your tax return

See "Who Cannot claim an Education Credit" on our [Education Credits—AOTC and LLC](#) page

## Interactive education credit app

Use our interactive app, [Am I Eligible to Claim an Education Credit?](#), to find out if you can claim an education credit or the Tuition and Fees deduction

## Who is an eligible student for LLC?

To be eligible for LLC, the student must:

- Be enrolled or taking courses at an eligible educational institution
- Be taking higher education course or courses to get a degree or other recognized education credential or to get or improve job skills
- Be enrolled for at least one academic period\* beginning in the tax year

\* **Academic Period** can be semesters, trimesters, quarters or any other period of study such as a summer school session. Academic periods are determined by the school. For schools that use clock or credit hours and do not have academic terms, the payment period may be treated as an academic period.

## Important differences between LLC and AOTC

There are important differences between the LLC and AOTC. See our chart to [Compare the LLC and AOTC](#)

## What are the income limits for LLC?

- To claim the full credit, your MAGI<sup>o</sup>, modified adjusted gross income must be \$65,000 or less or \$131,000 or less if you are married and filing jointly.

- If your MAGI is between \$55,000 and \$65,000 (between \$111,000 but less than \$131,000 for married filing jointly), you receive a reduced amount of the credit.
- If your MAGI is over \$65,000 (\$130,000 for joint filers), you cannot claim the credit.

<sup>o</sup>**MAGI** for most people is the amount of AGI, adjusted gross income, shown on your tax return. On Form 1040A, AGI is on line 22 and is the same as MAGI. If you file Form 1040, AGI is on line 38 and you add back the following:

- Foreign earned income exclusion,
- Foreign housing exclusion,
- Foreign housing deduction,
- Income excluded as bona fide residents of American Samoa or of Puerto Rico.

If you need to adjust your AGI to find your MAGI, there are worksheets in the [Publication 970](#) to help you

## Claiming the credit

Generally, students receive a [Form 1098-T](#), Tuition Statement, from their school by January 31. This statement helps you figure your credit. The form will have an amount in either box 1 or 2 to show the amounts received or billed during the year. But, this amount may not be the amount you can claim. See qualified education expenses for more information on what amount to claim.

Check the Form 1098-T to make sure it is correct. If it isn't correct or you do not receive the form, contact your school.

To claim the LLC, you must complete the [Form 8863](#). Attach the completed form to your Form 1040 or Form 1040A.

## What is the LLC worth?

The amount of the credit is 20 percent of the first \$10,000 of qualified education expenses or a maximum of \$2,000 per return. The LLC is not refundable. So, you can use the credit to pay any tax you owe but you won't receive any of the credit back as a refund.

<https://www.irs.gov/credits-deductions/individuals/llc>