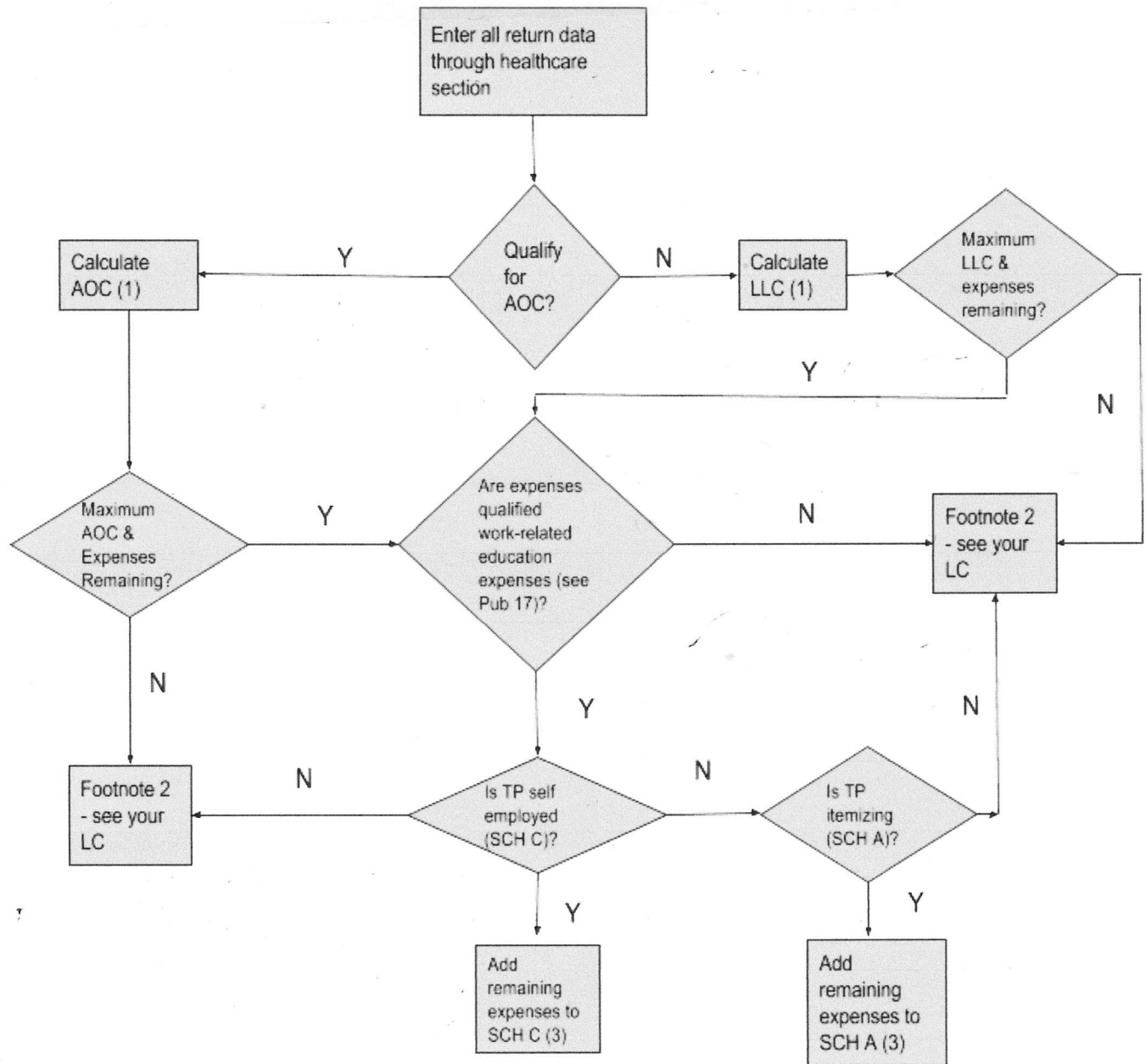


Education Expenses Flowchart



- 1) LLC will never be more than the AOC if TP qualifies for both.
- 2) If the student's scholarship can be applied to expenses other than tuition, fees and required books and supplies (e.g., Pell Grants) it might be beneficial to treat some scholarship money as taxable income on the student's tax return thereby increasing net expenses to get the full AOC or LLC credit. See your local coordinator before proceeding down this path.
- 3) You might test to see if putting ALL of the expenses (net of scholarship) on SCH C or SCH A is better for the taxpayer than AOC or LLC. However, that outcome would be very unusual – the credits are almost always better. See your Local Coordinator.