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[This is part of a [series of articles on tax breaks](#) temporarily extended by tax legislation late in 2014.]

For parents who have children in college, or for the students themselves, there may be at least one more check you should send out before the end of the year: the tuition payment for the upcoming semester. By paying this bill before 2015, you may qualify for a bigger tuition deduction on your 2014 return.

The tuition-and-fees deduction, which had technically expired after 2013, was just extended by the Tax Increase Prevention Act of 2014, retroactive to January 1, 2014. But now the provision returns to virtual tax limbo on December 31, 2014. Unless Congress restores this tax break in the future, it won't be available in 2015. So some taxpayers have precious little time left to get in under the wire.

Currently, the deduction is available for tuition and related fees paid before January 1, 2015 to a qualified educational institution on behalf of yourself, your spouse or a dependent child. It is limited to either \$2,000 or \$4,000, depending on your modified adjusted gross income (MAGI). For single filers, the deduction is \$2,000 for a MAGI up to \$65,000 and \$4,000 for MAGI between \$65,000 and \$80,000. Joint filers may deduct \$2,000 for a MAGI up to \$130,000 and \$4,000 for MAGI between \$130,000 and \$160,000. No deduction is allowed for MAGI above the respective upper thresholds.

For this purpose, deductible expenses include tuition and certain other related

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Note that you can't take the tuition-and-fees deduction on a 2014 return if you're claiming either one of the two higher education credits (the American Opportunity Tax Credit or the Lifetime Learning Credit). So you may have to help clients figure out the best approach for their situation. Significantly, the tuition deduction is claimed "above the line," so it reduces AGI for other tax purposes and is available to non-itemizers as well as itemizers. This may be a consideration for students who are paying their own way.

Encourage clients to beat the January 1, 2015 deadline. Any tuition payment made this week that otherwise meets the tax law requirements should qualify for the deduction or boost a higher education credit, depending on the client's income level.

Income Tax • Taxes

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