

**2020 AOTC ("AMERICAN OPPORTUNITY TAX CREDIT" FOR EDUCATION) -
DUE DILIGENCE REQUIREMENT - PAGE 1 OF 2**

Note - Complete a separate form for each person on your return who is claiming the AOTC

NAME OF TAXPAYER & SPOUSE FILING RETURN _____

NAME OF PERSON WHO IS CLAIMING AOTC _____

Who is an eligible student for the American opportunity tax credit?

For the American opportunity tax credit, an eligible student is a student who: (1) is enrolled in a program leading toward a degree, certificate or other recognized post-secondary educational credential; (2) has not completed the first four years of post-secondary education as of the beginning of the taxable year; (3) for at least one academic period is carrying at least ½ of the normal full-time work load for the course of study the student is pursuing; and (4) has not been convicted of a felony drug offense.

PART 1 - COPIES OF DOCUMENTATION REQUIRED

We need to verify if you are eligible to claim the American Opportunity Tax Credit on your tax return. Please provide photocopies of cancelled checks, receipts for tuition, fees and books as well as the transcripts from the educational institution. If you received payments for educational expenses, you will need to provide any or all of the following documents that apply:

- Employer provided educational assistance benefits
- Withdrawals from any educational retirement arrangements
- US Savings bond interest that is nontaxable because you paid qualified higher education expenses
- Veteran's educational assistance benefits or
- Any other nontaxable payment received for education expense
- Form 1098-T, an amount must be entered in Box 1 showing (Payments received for qualified tuition and related expenses)

Note: The following expenses are not allowable and do not qualify for the American Opportunities Credit:

- Insurance
- Medical expenses (including student health fees)
- Room and Board
- Similar personal, living or family expenses. This is true even if the amount must be paid to the institution as a condition of enrollment or attendance.

**2020 AOTC ("AMERICAN OPPORTUNITY TAX CREDIT" FOR EDUCATION) -
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PART 2 - COMPLETE THIS QUESTIONNAIRE

1. HAS THE HOPE SCHOLARSHIP CREDIT OR AMERICAN OPPORTUNITY CREDIT BEEN CLAIMED FOR THIS STUDENT FOR ANY 4 TAX YEARS BEFORE 2020?

2. WAS THE STUDENT ENROLLED AT LEAST HALF-TIME FOR AT LEAST ONE ACADEMIC PERIOD THAT BEGAN OR IS TREATED AS HAVING BEGUN IN 2020 AT AN ELIGIBLE EDUCATIONAL INSTITUTION IN A PROGRAM LEADING TOWARDS A POSTSECONDARY DEGREE, CERTIFICATE, OR OTHER RECOGNIZED POSTSECONDARY EDUCATIONAL CREDENTIAL?

3. DID THE STUDENT COMPLETE THE FIRST 4 YEARS OF POSTSECONDARY EDUCATION BEFORE 2020 (A GRAD STUDENT)?

4. WAS THE STUDENT CONVICTED, BEFORE THE END OF 2020, OF A FELONY FOR THE POSSESSION OR DISTRIBUTION OF A CONTROLLED SUBSTANCE (DRUGS)?

5. WHEN DID THE STUDENT START COLLEGE?

6. HOW MANY MONTHS WAS THE STUDENT IN SCHOOL?

7. HOW MUCH WAS THE TUITION?

8. DID YOU PAY ADDITIONAL AMOUNTS FOR BOOKS?

9. ARE THERE ANY OTHER FEES NOT ON FORM 1098-T?

10. DID THE STUDENT RECEIVE ANY SCHOLARSHIPS OR GRANTS? IF SO PLEASE PROVIDE DETAILS.

11. DOES THE STUDENT HAVE A 529 OR 530 PLAN? IF YES, WAS IT USED?

12. IS THE STUDENT ELIGIBLE FOR OTHER EDUCATION TAX BENEFITS THAT MAY BE MORE BENEFICIAL?

13. DID THE TAXFILER OR STUDENT RECEIVE ANY TAX-FREE EDUCATION ASSISTANCE FROM HIS/HER EMPLOYER?

14. DOES THE STUDENT HAVE EARNED INCOME?