

Taxpayers Get an Education on Overlooked Tax Credits for College

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H&R Block's Second Look(R) Finds Thousands of Dollars for Students and Parents

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Author's note: This feature is one of a series of success stories generally describing tax situations routinely reviewed when H&R Block takes a look at prior year tax returns new clients either prepared themselves or had someone else file.

Story 1 - [Gambler Hits Jackpot](#)

Some students and their parents with higher education expenses found they saved thousands of dollars after seeking a higher authority on their old tax returns. They had overlooked education tax credits in previous years, which their new H&R Block tax professionals found during a [Second Look](#)* when they came to H&R Block (NYSE: HRB), the world's largest consumer tax services provider.

"Education credits, which can save students or their parents as much as \$2,500, are one of the most commonly overlooked tax benefits," said Kathy Pickering, executive director of The Tax Institute at H&R Block. "It does not surprise me that so many taxpayers miss these benefits because of their complexity. Depending on the kind of academic program, what year the student is in, income and other factors, a student may qualify for one or more of three tax benefits."

The [American Opportunity Credit](#), up to \$2,500, is for students or their parents who pay tuition and fees and buy course materials for the first four years of college. The [Lifetime Learning Credit](#), up to \$2,000, is for students or their parents who pay education expenses, such as tuition and fees. Students do not need to pursue a degree to claim this credit, so someone acquiring or improving their job skills through [an eligible educational institution](#) may use it. More detailed [eligibility requirements](#) relate to a taxpayer's income and filing status. The tuition and fees deduction allows taxpayers with qualified higher education expenses to deduct up to \$4,000 even if they do not itemize their deductions.

H&R Block tax professionals ask the right questions to get the right answers

One taxpayer came to H&R Block this year after his last tax preparer did not ask enough questions. Sure enough, it wasn't long before his new H&R Block tax professional discovered he had education expenses in 2014 and 2015 qualifying him for the American Opportunity Credit. After amending his 2014 return and filing his 2015 return, the taxpayer received additional refund on the prior year return.

Another taxpayer came to H&R Block because she was not sure if she could claim her son as a dependent after he turned 20 and was no longer attending college. That led her new H&R Block tax professional to ask about her son's previous education expenses. Not only did the H&R Block professional make sure she properly claimed her son as a dependent, but also found her additional refund in missed American Opportunity Credits.

H&R Block (NYSE: HRB), the world's largest consumer tax services provider, offers a [free Second Look](#) to taxpayers who may have left money on the table in their 2012, 2013, 2014 or even 2015 returns. Taxpayers who prepared their returns themselves or had others prepare them can visit any of [H&R Block's approximately 10,000 U.S. offices](#) for a free review of the three prior year returns. Those who already filed a 2015 return with someone else can also bring in their 2015 return for the free review. Taxpayers can see if a Second Look is right for them with a free [online assessment](#) and [schedule an appointment online](#) or by calling 1-800-HRBLOCK.

*Results vary. All tax situations are different.

About H&R Block

H&R Block, Inc. (NYSE: HRB) is the world's largest consumer tax services provider, with revenues of \$3.1 billion in fiscal

year 2015. More than 680 million tax returns have been prepared worldwide by and through H&R Block since 1955, including 24.2 million tax returns in fiscal year 2015. Tax return preparation services are provided by professional tax preparers in approximately 12,000 company-owned and franchise retail tax offices worldwide, and through H&R Block tax software products. H&R Block also offers adjacent Tax Plus products and services. For more information, visit the H&R Block Newsroom at <http://newsroom.hrblock.com/>.

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