

Table 3
Use of Tax Incentives for Higher Education - Tax Year 2005 SOI Data

Education Incentive Claimed	Returns (Thousands)	Dollars (Millions)	Average (Dollars)
Tuition Deduction Only ¹	4,416	10,085	2,284
Hope Credit Only ¹	2,554	2,627	1,029
Lifetime Learning Credit Only ¹	4,011	2,783 ²	694 ²
Any Combination of Above	482		
<i>Total</i>	<i>11,463</i>		

Department of the Treasury
Office of Tax Analysis

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Notes:

¹ A Hope or Lifetime Learning Credit amount is used to offset individual income tax liability on a dollar-for-dollar basis. In contrast, the tuition deduction is subtracted from the income upon which tax is calculated. Therefore, the value of the deduction to the taxpayer depends on that taxpayer's effective tax rate.

² The 482,000 returns that claim more than one type of incentive claim a total of \$762 million in tuition deductions and \$707 million in education credits.