

February 27, 2015

The Honorable Charles E. Schumer
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Re: Endorsement of the American Opportunity Tax Credit Permanence and Consolidation Act of 2015

Dear Senator Schumer:

On behalf of the American Council on Education and the undersigned higher education associations, I write to strongly endorse the American Opportunity Tax Credit Permanence and Consolidation Act of 2015, which will make a number of important reforms to the American Opportunity Tax Credit (AOTC) and Lifetime Learning Credit benefiting middle class families.

The bill significantly improves the current AOTC and Lifetime Learning Credit by consolidating them into one simplified, permanent AOTC that will provide up to \$3,000 per year in tax relief for students and their families. In addition, the act incorporates the expanded eligible expenses of the current AOTC, increases income phase-out thresholds, and replaces current limits on the number of years a student can utilize the AOTC with a \$15,000 lifetime cap. Moreover, in steps that will particularly benefit low- and moderate-income students, the act increases the partial refundability of the current AOTC to a maximum of \$1,500 and better coordinates the interaction of the credit with the Pell Grant, making postsecondary education more affordable.

We strongly support this reform of current tax incentives to create a simpler, consolidated higher education tax credit that provides assistance toward towards an associate or bachelor's degree, post-baccalaureate education and lifelong learning. As a result, we believe the act would create a stronger, more effective tool for increasing access to college and advancing President Obama's goal to increase college completion.

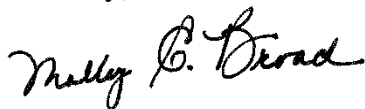
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We appreciate your strong leadership on the American Opportunity Tax Credit, starting with its creation in 2009, as well as on other important higher education tax provisions. We are pleased to offer support for this bill and look forward to assisting in your efforts to advance this important legislation.

Sincerely,



Molly Corbett Broad
President

MCB/ldw

On behalf of:

American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
Association of Community College Trustees
Association of Jesuit Colleges and Universities
Association of Public and Land-grant Universities
Council for Christian Colleges & Universities
Hispanic Association of Colleges and Universities
NASPA – Student Affairs Administrators in Higher Education
National Association of College Stores
National Association of Independent Colleges and Universities