

[13] Student Loan Interest Deduction: We're all waiting to see if and when President Biden will cancel student loan debt. But even if your student loan debt isn't cancelled (or only some of it is forgiven), you may be able to deduct up to \$2,500 of student loan interest paid each year. However, the credit amount is gradually reduced to zero if your modified AGI is over a certain amount.

If you're filing anything other than a joint return, the phase-out range did not change for the 2022 tax year. The credit amount still starts dropping if your modified AGI is over \$70,000 and is reduced to zero once your modified AGI hits \$85,000. However, for married couples filing a joint return, the phase-out range is adjusted for 2022. It kicks in at \$145,000 (\$140,000 for 2021), while the credit is fully phased out if modified AGI exceeds \$175,000 (\$170,000 for 2021).