

Tax Strategy Planner

Create personalized tax strategies based on your income and eligible benefits

Understanding Deductions vs. Credits

Tax Deductions

Reduces taxable income

- Savings = Deduction x Tax Rate
- \$1,000 deduction in 22% bracket = \$220 saved
- Standard vs. Itemized choice
- More valuable at higher tax brackets

Tax Credits

Reduces tax owed directly

- Dollar-for-dollar reduction
- \$1,000 credit = \$1,000 saved
- Refundable vs. Non-refundable
- Equal value at all tax brackets

Select Your Income Level

Under \$44,725

10-12% Bracket

\$44,725 - \$95,375

22% Bracket

Over \$95,375

24%+ Bracket

Personal Deduction Tracker

Check applicable deductions and enter estimated amounts

Student Loan Interest (up to \$2,500)

\$0

Traditional IRA Contributions (up to \$6,500)

\$0

HSA Contributions (up to \$3,850 individual)

\$0

Educator Expenses (up to \$300)

\$0

Charitable Contributions

\$0

Mortgage Interest

\$0

Credit Eligibility Checker

Check credits you may qualify for

American Opportunity Credit (up to \$2,500)

First 4 years of higher education, partially refundable

Lifetime Learning Credit (up to \$2,000)

Any post-secondary education or courses, non-refundable

Saver's Credit (up to \$1,000)

Retirement contributions for lower-income taxpayers

Earned Income Tax Credit

For low to moderate-income workers, refundable

Child Tax Credit (up to \$2,000/child)

For qualifying children under 17

\$0

Estimated Total Tax Savings

Deduction Summary

Credit Summary

Recommended Actions

PFL Academy | Chapter 2.4: Understanding Tax Deductions and Credits

Tax laws vary by state. Consult a tax professional for personalized advice.