

[Instructions]

FAFSA Worksheet for 2008-2009 College Year

The FAFSA (Free Application for Federal Student Aid) is used by colleges to determine your Expected Family Contribution (or EFC). This worksheet's step-by-step instructions demystify the FAFSA, making it easy to understand and complete with confidence. Our expert guidance can help you get the best financial aid results.

Worksheet guidelines:

- This worksheet should be used as a guide for filling out the official FAFSA, which can be accessed at <http://www.fafsa.ed.gov/>.
- Before you begin, take a moment to gather the following financial records:
 - tax returns for the previous year
 - W-2 forms for the previous year
 - most recent bank statements
 - records of your investments

How Does The FAFSA Work?

The FAFSA is required by every college. It is the gateway to need-based financial aid and is also used to establish your eligibility for supplementary loans offered by the federal government.

The FAFSA determines your Expected Family Contribution (EFC), the amount you will be expected to pay for one year of college. Colleges listed on your FAFSA will compare your EFC with their annual cost of attendance. If the EFC is less than the cost of attendance, that difference is your eligibility for need-based financial aid. If the EFC is more than the cost of the college, you will still be eligible to participate in federal and other loan programs to cover college costs.

Why Should I Complete The FAFSA?

1. To see if you qualify for need-based financial aid and if so, how much.
2. To qualify for the largest amount of need-based aid the regulations permit.
3. To get in the financial aid line early. When it comes to college, the best aid often goes to the people in the front of the line.
4. To open your line of credit with the federal government so that you can borrow the money you need to pay the EFC.
5. To create a "safety net" in the event that an unexpected occurrence, such as loss of job, illness, death, divorce, or natural disaster, causes a change in your income or asset profile. A completed FAFSA allows the college's financial aid administrator to recalculate your EFC based on projected (instead of past) income and assets under these new conditions.

Other Advice:

Even though the FAFSA people suggest that you call any prospective college in the event of unusual financial circumstances, we recommend that you wait until the student is admitted. The unwritten rule is, "Get into college first. Then share any financial difficulties with that college as an **admitted** student." **Be sure to check for any state-mandated filing deadlines.**

SECTION 1- STUDENT INFORMATION

Remember, the questions in this section refer to the **student** only

FAFSA QUESTION	EXPLANATION
Your Social Security Number (Q8)	Get it right and check it twice. A "typo" can result in a paperwork nightmare.
Your last name (Q1)	Student's last name
Your Driver's License Number (Q11)	This helps confirm the student's residence when dealing with public colleges.
Are you a U.S. Citizen? (Q14)	<p>Eligible noncitizen includes anyone with an alien registration number or who has:</p> <ul style="list-style-type: none"> · a Permanent Resident Card (I-551) · a conditional permanent resident (I-551C) · an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any of the following designations: Refugee Asylum Grantee Parolee (I-94) confirms paroled for a minimum of one year and status has not expired) Cuban-Haitian Entrant. <p>If you are in the U.S. on an F1 or F2 student visa, a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations), you must check "Neither citizen nor eligible noncitizen."</p> <p>If you are neither a citizen nor an eligible non-citizen, you are not eligible for federal student aid. However, you may be eligible for state or college-based aid.</p>
Your Alien Registration Number (Q15)	Leave blank if it doesn't apply.
Your marital status as of today. (Q16)	Student's marital status. There are some significant advantages for financial aid purposes by being married but there are some people who might suggest that here the cure may be worse than the disease!
Month and year you were married, separated, divorced, or widowed. (Q17)	Leave blank if single.
Your state of legal residence (Q18)	Where does the student live?
Did you become a legal resident of your state before January 1, 2003? (Q19)	Refers to your arrival in the state of residence. This date is used to qualify the student for in-state fees at public colleges.
If "No," when did you become a legal resident of your state? (Q20)	Leave blank if you said "yes" above.
Most male students must register with the Selective Service System to get federal aid. If you are a male between the ages of 18 and 25 and NOT already registered with Selective Service, answer "Yes" and Selective Service will register you. (Q22)	Female students leave this blank. Must be completed by students who are 18 or will turn 18 during their freshman year at college. If you are 18 and not registered for selective service, or if you will turn 18 soon and say "no" here, you will be ineligible for any federal financial aid for college. Even if you have a strong anti-war outlook, this is not the place to declare it. First, get your degree and then make your case. More people will listen to you as a college graduate!
What degree or certificate will you be working on during the 2008-2009 school year? (Q23)	For new applicants, the correct answer is usually a 1st Bachelor's Degree. If you are applying to an occupational program or to a general education program as preparation for transfer to a four-year college, enter Associate Degree. Others should list as appropriate.
What will be your grade level when you begin the 2008-2009 school year? (Q24)	For new students, check 1st year/never attended college. Check this even if you have a few credits you received at a community college while you were in high school. Otherwise, the college will ask what other college you went to and request a financial aid transcript from that college. It could dramatically slow the financial aid process for you.

SECTION 1 (Continued) - STUDENT INFORMATION

At the start of the 2008-2009 school year, what do you expect your enrollment status to be? (Q25)	Select "full-time" since it will qualify help to qualify you for more aid. This question refers to undergraduate enrollment study only.
What types of student aid interest you? Indicate your interest in other types of student financial aid in addition to grants. (Q26)	Check "Both Work-study and student loans". These are what is called "self-help" aid. The college is more willing to help a student with grants if the student indicates he or she is willing to help themselves. It is a character issue.
Will you have your first bachelor's degree by July 1, 2008? (Q28)	Probably "no" unless you are or have been in college. If you say "yes", you are likely to be considered an independent student so parent information can be omitted later on the form.
Highest school your father completed (Q29)	The operative word here is "completed". If a parent did not complete a 4-year college degree, check high school or less. If neither parent has a college degree, then the student is what is known as a "first-generation college student" which makes him/her eligible for certain additional aid programs. If there is only one custodial parent, leave the other parent off the form in this question.
Highest school your mother completed (Q30)	Again, the operative word here is "completed". If a parent did not complete a 4-year college degree, check high school or less. If neither parent has a college degree, then the student is what is known as a "first-generation college student" which makes him/her eligible for certain special aid programs. See above, about non-custodial parents.
Have you ever been convicted of possessing or selling illegal drugs? (Q31)	If you check "yes", you will be ineligible for federal and some state aid. Did someone say "double jeopardy"? For a more detailed account of how to answer in the event the student has been convicted of a drug offense, see the actual fafsa worksheet.

SECTION 2 - STUDENT DEPENDENCY STATUS

This section determines whether the student is a dependent or can be considered an independent student. For high school students, the vast majority will check "no" for all the questions. For a student that has any "yes" answers in this section, that student will be considered an independent student, which means that no further information about parents will be required for the rest of the form. **Remember these questions still refer to the student!**

Were you born before January 1, 1985? (Q48)	Enter the correct answer.
At the beginning of the 2008-2009 school year, will you be working on a master's or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)?(Q49)	Most high school students will answer "no."
As of today, are you married? (Q50)	If you are married, you will know it!
Do you have children who receive more than half of their support from you? (Q51)	Even if the child does not live with you but you provide more than half of the child's support, check "yes". (Remember, this is about the student.)
Do you have dependents other than your children/spouse who live with you and who receive more than half of their support from you, now and through June 30, 2009? (Q52)	If you are caring for and providing more than half of the financial support for a parent, relative, or a third party, check "yes" to this item. If you do check "yes", be prepared to provide convincing proof to the college.
Are (a) both of your parents deceased, or (b) are you (or were you until age 18) a ward/dependent of the court? (Q53)	If you claim to be a ward of the court, you will have to provide documentary evidence to the college.
Are you currently serving on active duty in the armed forces? (Q54)	If you are, check "yes" unless your service is solely for training purposes (ex. Summer reserve training.)

SECTION 2 (Continued) – STUDENT DEPENDENCY STATUS

Are you a veteran of the U.S. Armed Forces? (Q55)	Answer “yes” if you will be a veteran by June 30, 2009. Any “yes” answer will require proper official documentation to the college of choice.
If you answered “Yes” to any of the previous questions, you do NOT have to provide parental information. You should skip to Section 4.	

SECTION 3 – PARENTAL INFORMATION

For DEPENDENT students only! (All “No” answers in the previous section.)

What is your parents’ marital status as of today?(Q56)	Check the appropriate box. If parents are in the process of a separation or divorce, it may be a good idea to make at least the separation part an actuality before completing this question provided you don’t miss any filing deadlines.
Month and year your parents were married, separated, divorced, or widowed.(Q57)	Month and year only.
What is your parents’ e-mail address? (optional)	We recommend that you enter this in order to provide the department of education and others with an easy, immediate way to contact the parents in the event of any difficulties.
What is your father’s (or stepfather’s) Social Security Number?(Q58)	Remember...CUSTODIAL PARENT(S) ONLY! By entering the social security number, you have given the Department of Education the right to obtain a copy of your income tax directly from the IRS.
What is your father’s (or stepfather’s) last name? (Q59)	Custodial parent only.
What is your father’s (or stepfather’s) date of birth? (Q61)	Custodial parent only.
What is your mother’s (or stepmother’s) Social Security Number? (Q62)	Remember...CUSTODIAL PARENT(S) ONLY! By entering the social security number, you have given the Department of Education the right to obtain a copy of your income tax directly from the IRS.
What is your mother’s (or stepmother’s) last name? (Q63)	Custodial parent only.
What is your mother’s (or stepmother’s) date of birth? (Q65)	Custodial parent only.
What is your parents’ state of legal residence? (Q68)	Where does/do your custodial parent(s) live?
Did your parents become legal residents of the state before January 1, 2003? (Q69)	This answer is important for many state-sponsored financial aid programs and even more importantly, for establishing residency to qualify for in-state tuition rates.
If “No”, enter the month and year legal residence began for the parent who has lived in the state the longest. (Q70)	The longer the better.
Have your parents completed a 2007 IRS income tax return or other income tax return? (Q76)	Check the appropriate box. If the parents have not completed the tax return but intend to do so, check “will file”. If “will not file,” skip the next three questions.

SECTION 3 (Continued) –PARENTAL INFORMATION

What is your parents' marital status as of today?(Q56)	Check the appropriate box. If parents are in the process of a separation or divorce, it may be a good idea to make at least the separation part an actuality before completing this question provided you don't miss any filing deadlines.
Month and year your parents were married, separated, divorced, or widowed.(Q57)	Month and year only.
What is your parents' e-mail address? (optional)	We recommend that you enter this in order to provide the department of education and others with an easy, immediate way to contact the parents in the event of any difficulties.
What is your father's (or stepfather's) Social Security Number?(Q58)	Remember...CUSTODIAL PARENT(S) ONLY! By entering the social security number, you have given the Department of Education the right to obtain a copy of your income tax directly from the IRS. Even if the child does not live with you but you provide more than half of the child's support, check "yes". (Remember, this is about the student.)
What is your father's (or stepfather's) last name? (Q59)	Custodial parent only.
What is your father's (or stepfather's) date of birth? (Q61)	Custodial parent only.
What is your mother's (or stepmother's) Social Security Number? (Q62)	Remember...CUSTODIAL PARENT(S) ONLY! By entering the social security number, you have given the Department of Education the right to obtain a copy of your income tax directly from the IRS.
What is your mother's (or stepmother's) last name? (Q63)	Custodial parent only.
What is your mother's (or stepmother's) date of birth? (Q65)	Custodial parent only.
What is your parents' state of legal residence? (Q68)	Where does/do your custodial parent(s) live?
Did your parents become legal residents of the state before January 1, 2003? (Q69)	This answer is important for many state-sponsored financial aid programs and even more importantly, for establishing residency to qualify for in-state tuition rates.
If "No", enter the month and year legal residence began for the parent who has lived in the state the longest. (Q70)	The longer the better.
Have your parents completed a 2007 IRS income tax return or other income tax return? (Q76)	Check the appropriate box. If the parents have not completed the tax return but intend to do so, check "will file". If "will not file," skip the next three questions.
What income tax return did your parents file or will they file for 2007? (Q77)	If you don't know, look at last year's tax return. This year will probably be the same.
If your parents have filed or will file a 1040, were they eligible to file a 1040A or 1040EZ? (Q78)	<p>If you check "don't know" on the FAFSA online application, it will answer the question for you.</p> <p>In many cases, eligibility for a 1040A or EZ will result in a different EFC calculation that could omit consideration of assets as a college funding resource.</p> <p>If you filed a 1040 only in order to claim a Hope or Lifetime Learning tax credits and are otherwise eligible for a 1040A or 1040EZ, you may check "yes". Check with your tax preparer or tax preparation software if you have more detailed questions regarding eligibility for a 1040A or 1040EZ tax filing.</p>

SECTION 3 (Continued) –PARENTAL INFORMATION

In 2007, did you or your parents or anyone in your household receive benefits from any of the listed federal benefits? (Q71-75)	List any benefits that apply. Include in your parents' household: you and your parents even if you don't live with them; your parents other children if your parents provide more than 50% of their support from July 1, 2008 through June 30, 2009. See your actual online fafsa worksheet for other instructions. A check on any one of the listed benefits could have a profound, positive affect on your eligibility for financial aid.
What was your parents' adjusted gross income? (Q79)	Tax filers only. Remember this answer applies to the custodial parent(s) only. Enter either: <ul style="list-style-type: none"> • the bottom line(37) on the first page of the 1040 • or line 21 on 1040A or line 4 on 1040EZ—line 4.
The next two questions ask about each custodial parent's wages in 2007.	Remember to answer for the custodial parent(s) only. All parents, even those not filing an income tax form, must answer this question. Nice way to support our troops by going after their combat pay! Answer the questions even if no income tax was filed.
How much did your father (stepfather) earn from working in 2007 (wages, salaries, tips, combat pay etc.)?(Q82)	This can be found on any W-2 forms or IRS Form 1040, lines 7+12+18+Box 14 of IRS Schedule K (Form 1065); 1040A, Line 7; or 19040EZ, line 10.
How much did your mother (step-mother) earn from working in 2007 (wages, salaries, tips, combat pay etc.)?(Q83)	This can be found on any W-2 forms or IRS Form 1040, lines 7+12+18+Box 14 of IRS Schedule K (Form 1065); 1040A, Line 7; or 19040EZ, line 10.
What was the amount your parents paid in income tax in 2007? (Q80)	Enter either: The number on line 57 of IRS From 1040 or line 35 on Form 1040A or line 10 of Form 1040EZ If you're not sure, make an estimate using your previous return as a guide. The IRS form reference lines will be slightly different on the 2005 return.
Enter your parents' exemptions for 2007. (Q81)	Usually the same as the previous year. For tax purposes and financial aid purposes, the more the merrier. See IRS Form 1040, line 6d; 1040A, line 6d; 1040EZ, line 5 or use the 1040EZ worksheet to determine the number of exemptions.
How many people are in your parents' household? (Q66)	In addition to all listed exemptions, list any others in the household for whom your parents provide the majority of their living expenses. Generally speaking, the bigger the household, the more financial aid you may be entitled to. If any of those extra people supported (50% or more) by your parents also go to college, that could have a profound effect on lowering the college costs for this child. See below.
How many people in the question above will be college students in 2008-2009? (Q67)	List yourself and any siblings or anyone other than parents who will attend college at least halftime in 2008-2009. When the family's expected family contribution (EFC) is calculated, it will be divided among the total number of household members attending college. Thus, if the EFC is \$10,000 with one person in college, in most cases it will be about \$5,000 per student when two people attend college. Families with triplets are in for a pleasant surprise that's almost as great as first knowing they were going to have triplets!

Parent FAFSA Worksheets A, B & C

Your parents' amount from FAFSA Worksheet A(Q84)	See the worksheet and report as indicated. Most common entries are social security and welfare benefits. If none enter "0".
Your parents' amount from FAFSA Worksheet B(Q85)	The most common entries are child support received for all children and tax deferred retirement plans. Use your end-of-the-year pay stub to determine these. It usually lists the full year's contribution to taxed-deferred retirement plans. The adjustment section on the front page of your 1040 will list adjustments which constitute tax-free contributions of various kinds, most commonly IRA's and SEP IRA's.
Your parents' amount from FAFSA Worksheet C(Q86)	If you have children in college, you should check with your tax professional to see if you qualify for the Hope Scholarship and/or the Lifetime Learning Tax Credits. Both begin to phase out as the parents' income rises above \$80,000. These tax credits can result in total tax savings as high as \$6,000 per child over the typical four years of college.

SECTION 3 (Continued) –PARENTAL INFORMATION

Parent Asset Information	Remember, this section applies to the parents of dependent students only.
As of today, what is your parents' total current balance in cash, savings, and checking accounts?(Q87)	The colleges want to know what is normally left after the usual monthly bills have been paid. Enter this amount here. No, you cannot enter a negative amount!
As of today, what is the net worth of your parents' investments, including real estate (not their home)?(Q88)	<p>Net worth = current value minus debt. Do NOT include any retirement accounts. You should include any real estate that is not your primary residence. List the net value (value less any mortgage) and reduce further by any costs associated with borrowing against its value and or liquidation. (You may want to use the commercial property calculator available to subscribers of TuitionCoach. It could result in a significant increase in your eligibility for financial aid.)</p> <p>If you only have a share in the property, report only the value of your share minus your share of any debt against it.</p> <p>Remember, DO NOT INCLUDE YOUR PRIMARY RESIDENCE!</p>
As of today, what is the net worth of your parents' business and/or investment farms? Do not include a farm that your parents live on and operate. (Q89)	Net worth = current value minus debt. It doesn't pay to brag here; be conservative with your estimates. If your business employs fewer than 100 full-time employees, do not enter the value of the business.If the business is a partnership, list the value of your share only. If you can't use the value of your share to get a loan for family use, be sure to draw up an agreement to that effect. This will help you demonstrate that the business should not be treated as a viable resource to pay for college.

SECTION 4 - STUDENT FINANCES

Don't forget, this is about the student.

Have you completed an IRS income tax return or other income tax return for 2007? (Q32)	If you plan to file a tax return, and if it hasn't been completed yet, check "will file." If you will not file, check "will not file" and go directly to the last question in this section leave the questions in between blank.
What income tax return did you file or will you file in 2007? (Q33)	For student tax filers only. Unless you have outside income or a business, you probably filed a 1040A or 1040EZ.
If you filed or will file a 1040, were you eligible to file a 1040A or 1040EZ? (Q34)	If you check "don't know" on the FAFSA online application, it will answer the question for you. If you need further clarification, see the detailed explanation on the actual fafsa work-sheet.
What was your (and your spouse's) adjusted gross income in 2007? (Q35)	<p>This is for tax filers only. Enter either:</p> <ul style="list-style-type: none"> • line 37 of the 1040 • or line 21 of form 1040A • or line 4 of form 1040EZ <p>If you haven't filed an income tax, use last year's return and/or use a recent pay stub to make an estimate.</p>
The next two questions ask about earnings and wages for 2007. Answer the questions whether you filed a tax return or not.	You can get this information from W-2 forms or IRS Forms 1040. Lines 7, 12 & 18 and Box 14 of Schedule K-1 (Form 1065); 1040A, line 7 or 1040EZ, line 1.
How much did you (the student) earn from working in 2007? (Q38)	See above.
How much did your spouse earn from working in 2007? (Q39)	If not married, leave blank. See above if the spouse worked in 2007.
If you received veterans' educational benefits, for how many months from July 1, 2008 through June 30, 2009 will you receive those benefits? (Q46)	Use 01 to 12.

SECTION 4 (Continued) - STUDENT FINANCES

What was the amount of your monthly veterans' benefits? (47)	Enter the monthly amount.
What was your (and your spouse's) income tax in 2007? (Q36)	<p>If the student filed taxes, enter either:</p> <ul style="list-style-type: none"> • The number on line 57 of IRS Form 1040 • or line 35 of Form 1040A • or line 10 of Form 1040EZ <p>If you haven't filed a tax return, use last year's tax return or simply refer to a reasonably current tax table available at many places.</p>
Enter your (and your spouse's) exemptions for 2007. (Q37)	<p>If you are a dependent, don't take the exemption. Your parents will probably benefit more if they list you as their exemption. If you make more than your parents or if you are an independent student, then you probably should list the exemption as "1". If you are married, list 2 and for each child add 1 more exemption. The number can be found on IRS Form 1040 & 1040A on line 6d and the worksheet on the 1040EZ tax form.</p>
The next three questions are for Independent Students only.	You are independent if you answered "Yes" to any question in section 2.

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You are independent if you answered "Yes" to any question in section 2.

How many people are in your household? (Q90)	Count the student, plus a spouse and children and anyone else in the household for whom the student provides 50% or more financial support from July 1, 2008 through June 30, 2009.
How many people in the question above will be in college in 2008-2009? (Q91)	List the total attending college at least half time including you.
In 2007, did you (or your spouse) or anyone in your household (listed in Q90) receive benefits from any of the federal programs listed? (Q92-96)	Answer the question if it applies to you and your household. Remember, this is for the household of an independent student. Possible huge college financial aid outcomes for any checks on the list.

STUDENT FAFSA WORKSHEETS A, B and C

All students, dependent and independent, should complete this section. The actual worksheet provide references to the appropriate IRS form and line.

Your amount from FAFSA Worksheet A (Q40)	These categories are payments made directly to the student. If the student is under 18, and if the payment went to the parent for the benefit of the student, you should list this as a payment to the parent, since the financial aid formula is more lenient with parent assets.
Your amount from FAFSA Worksheet B (Q41)	<p>These categories are payments made directly to the student. If the student is under 18, and if the payment went to the parent for the benefit of the student, you should list this as a payment to the parent, since the financial aid formula is more lenient with parent assets.</p> <p>Child support should always be listed in the parent's column even if the student is the beneficiary.</p>
Your amount from FAFSA Worksheet C (Q42)	<p>List the amount of wages that came from work-study here. The FAFSA formula will lower the reported income from wages by that amount so that work-study won't reduce the student's eligibility for financial aid in the years ahead.</p> <p>If the student is an independent student or if the student has paid for his own education, he/she should find out whether he/she might qualify for the Hope Scholarship Tax Credit or the Lifetime Learning Tax Credit.</p>

STUDENT FAFSA WORKSHEETS A, B and C (Continued)

<p>As of today, what is your (and your spouse’s) total current balance of cash, savings and checking accounts?(Q43)</p>	<p>Enter a reasonable estimate of you current amounts. Remember, the amount you list here and below may decrease your eligibility for need-based financial aid by up to 25% of the value you report as a dependent and considerably more if an independent student.</p> <p>If you intend to spend a large part of this money on something other than college, you should do it before submitting this form. You must tell the truth on the form.</p>
<p>As of today, what is the net worth of your (and your spouse’s) investments, including real estate (not your home)?(Q44)</p>	<p>For most dependent students, this number is low or zero. Students who own stocks or bonds must list their total net value. Net value means that if you have to liquidate the assets to use it, you can lower its value by any tax or early withdrawal penalty, capital gains taxes and/or brokers fees.</p> <p>UTMAs and UGMAs must be listed here if the investment is not a retirement asset.</p> <p>Do not list 529 plans here even if the student is the beneficiary, unless the student actually holds title to the 529 plan. Then it must be listed as a student asset.</p> <p>If the student is named in a trust but can only use the income, you don’t have to list the value of the trust here.</p> <p>If the student owns all or part of any property (not including the home the student lives in), list his/her share of the net value here. This is very important information that can have a profound impact on the cost of college. It is best to have a good student intellectually and a very poor one financially.</p>
<p>As of today, what is the net worth of your (and your spouse’s) business and/or investment farms? (Q45)</p>	<p>If the student actually has a business, list it here. Use only the actual salvage value of any equipment. If the business employs fewer than 100 full-time employees, the student should not need enter the value of the business. If the family actually lives on the farm, you can omit its value here.</p>

SECTION 5- COLLEGES TO RECEIVE INFORMATION

<p>Federal School Codes (Q97a-97t)</p>	<p>List the colleges in order of preference. If you don’t know the codes, just list their names and you’ll be able to find their codes when you fill out the official FAFSA. Check with your state to see if the order in which in-state colleges are listed has any impact on any state-level financial aid programs. Some states may recommend that you list them in order of cost with the highest cost one(s) listed first. This has to do with establishing a grant account with those states that have such programs. See www.fafsa.ed.gov for the protocol used to add list more than 10 colleges.</p>
<p>For each school code, indicate the corresponding housing plan.</p>	<p>To get the most from your college experience, it makes sense to live on campus. It makes good financial sense, too. If your EFC is low and the student lives on campus, the financial aid system may also pay living expenses, thus enhancing the educational experience at lower cost than living at home.</p>

FAFSA Worksheet A—Report Annual Amounts

<p>Earned income credit from IRS Form 1040—line 66a; 1040A—line 40a; or 1040EZ—line 8a</p>	<p>Enter the amount on the 1040 from last year to get a quick estimate of what you might expect for the current year.</p>
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FAFSA Worksheet A—Report Annual Amounts (Continued)

Additional child tax credit from IRS Form 1040-line 68 or 1040A-line 41	Use last year's 1040 for a quick estimate.
Welfare benefits, including Temporary Assistance for Needy Families (TANF). Do not include food stamps or subsidized housing.	Enter any assistance you receive here. However, if you think it will be discontinued next year, you should discuss this with your financial aid administrator
Social Security benefits received, that were not taxed (such as SSI), for all household members as reported in student's household size in question 90 (or parents' household size in question 66). Report benefits paid to parents in the Parents column, and benefits paid directly to the student (or spouse) in the Student/Spouse column.	<p>List only the UNTAXED portion of your social security benefit here. If you are not certain, contact your local social security office to find out.</p> <p>You will qualify for more financial aid if the benefits are listed under the parent's column than the student's.</p>
TOTAL for Worksheet A	Add them up and put in the appropriate line on in Section 3 – Q84 (Parent) or Section 4 – Q40 (Student)

FAFSA Worksheet B—Report Annual Amounts

Payments to tax-deferred pension and savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 Form in Boxes 12a through 12d, codes D, E, F, G, H, and S.	Refer to your last W-2. Total the amounts in the listed boxes and codes.
IRA deductions and payments to self-employed SEP, SIMPLE, and Keogh and other qualified plans from IRS Form 1040—line 28 + line 32 or 1040A—line 17	If your taxes are not done yet, use last year's tax return to make an estimate. These tax-free contributions to your personal retirement plan will raise the cost of college slightly. Nonetheless we STRONGLY urge that you continue to contribute the maximum amount every year. Remember the mantra, "You can always borrow for college, but you can never borrow for retirement!"
Child support you received for all children. Don't include foster care or adoption payments.	Be sure to list this amount as a parent's untaxed benefit, not the student's unless the student is also a parent and receiving support for his/her child.
Tax exempt interest income from IRS Form 1040—line 8b or 1040A—line 8b	Refer to last year's tax return for an estimate. This kind of income often comes from municipal bonds, a long-term, tax-free investment.
Foreign income exclusion from IRS Form 2555—line 45 or 2555EZ—line 18	This is uncommon. If you have foreign income, we suggest you work with a CPA experienced in handling offshore income.
Untaxed portions of IRA distributions from IRS Form 1040—lines (15a minus 15b) or 1040A—lines (11a minus 11b).	Exclude rollovers. If negative, enter a zero.
Untaxed portions of pensions from IRS Form 1040—lines (16a minus 16b) or 1040A—lines (12a minus 12b).	Exclude rollovers. If negative, enter a zero here.
Credit for federal tax on special fuels from IRS Form 4136—line 15	Nonfarmers only. This is uncommon. Use the amount on your IRS Form 4136, line 17.

FAFSA Worksheet B—Report Annual Amounts (Continued)

Housing, food, and other living allowances paid to members of the military, clergy, and others (including cash payments and cash value of benefits)	Subsidized housing and living allowances can substantially reduce financial aid. The government will assume that since housing and basic living costs are covered, the family can devote more of their remaining income to pay for college.
Veterans' noneducation benefits such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC), and/or VA Educational Work-Study allowances	These may be used to reduce the eligibility for need-based financial aid.
Other untaxed income not reported elsewhere on Worksheets A and B, such as workers' compensation, untaxed portions of railroad retirement benefits, Black Lung Benefits, disability, etc. Tax filers only: report combat pay not included in adjusted gross income (Q35 and Q79).	<p>As the instructions suggest, these amounts are the untaxed part of any taxable benefits in the list.</p> <p>Don't include student aid, workforce Investment Act educational benefits, combat pay if you are not a tax filer, or benefits from flexible spending arrangements (e.g. cafeteria plans).</p>
Money received, or paid on your behalf (e.g., bills), not reported elsewhere on this form	Report only money that was paid on your behalf. If the amount is significant, you may consider structuring it as a loan. That way you don't have to report it here or anywhere else.
TOTAL for Worksheet B	Take the totals and enter them in Section 3 – Q85 (Parent) and/or Section 4 – Q41 (Student)

FAFSA Worksheet C—Report Annual Amounts

Education credits (Hope and Lifetime Learning tax credits) from IRS Form 1040—line 49 or 1040A—line 31	Independent students may be able to get money back by qualifying for these tax credits, which are linked to out-of-pocket costs for the first few thousand dollars paid to a college. The first two years of undergraduate work fall under the Hope Scholarship Tax Credit. Thereafter, credits are linked to a percentage of out-of-pocket costs in a program called the Lifetime Learning Tax Credit. The tax savings could be significant over the course of one's career in higher education. IRS Form 8863 and the accompanying instructions is a good, up-to-date source of specific information.
Child support (you) paid because of divorce or separation or as a result of a legal requirement. Don't include support for children in your (or your parents') household as reported in Q90 for the student or Q66 for the parents.	While you can't include support for children in your household here, you could make a case to your financial aid officer that child support payments impact your ability to afford college. If you are legally required to defer some of your income to a third party like a child living with a former spouse, a college financial aid administrator might consider increasing your financial aid.
Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships.	It is important to list those amounts here. Listing the student's total income from work-study or fellowships automatically reduces the reported student adjusted gross income by that amount. This will ensure that you qualify for the maximum financial aid possible during the next academic year since it removes need-based aid earnings from the reported income of the student.

FAFSA Worksheet C—Report Annual Amounts (Continued)

<p>Student grant and scholarship aid reported to the IRS in your (or your parents') adjusted gross income. Includes AmeriCorps benefits (awards, living allowances, and interest accrual payments), as well as grant or scholarship portions of fellowships and assistantships.</p>	<p>You do not have to report any scholarships or grants on your income tax UNLESS they exceed the total cost of college. Then, you should report that excess here as well.</p>
<p>TOTAL for worksheet C</p>	<p>Add them up and enter in Section 3 – Q86 (Parent) and/or Section 4 – Q42 (Student)</p>