

# THE BIG CHANGES UNDER THE NEW FAFSA

The U.S. Department of Education released a new, simplified version of the Free Application for Federal Student Aid (FAFSA) in December 2023. You'll be relieved to learn it has fewer questions — from more than 100 questions to as few as 18 — but the form is different. Check out some of the biggest changes we see with the FAFSA, and as always, reach out with questions.

## 1 Who Has to Help Complete Your FAFSA:

An important new term in this updated version of the FAFSA is "Contributor." A Contributor is anyone who is required to provide information on your FAFSA, and that means they will need to create their own FSA ID.

### *Who's considered a Contributor:*

- ➔ **If your spouse.**
- ➔ **If your parents are married and filed joint 2022 tax returns:** only one parent needs to complete the FAFSA as a Contributor.
- ➔ **If your parents are married, but filed separate 2022 tax returns:** each parent is a Contributor and must complete their section of the FAFSA.
- ➔ **If contributor parent is remarried:** your stepparent is considered a Contributor and must complete their section of the FAFSA.
- ➔ **If your parents are divorced, separated, or never married:** The parent who provides the most financial support should complete the FAFSA as a Contributor.

*When you start your FAFSA, you'll be asked to provide information for all your Contributors. You need to know the following information for each Contributor:*

- ✓ Legal name
- ✓ Date of birth
- ✓ Social Security Number (if they don't have one, you'll be asked to provide their mailing address)
- ✓ Email address

## 2 Consenting to the direct transfer of tax information from the IRS:

Your Contributors must consent to allowing the direct transfer of Federal Tax Information (FTI) from the IRS into the FAFSA form for you to have a complete FAFSA and be eligible for funding.

## 3 Student Aid Index — aka SAI.

This is used to determine your Pell Grant eligibility, and what the college uses to determine its own need-based aid.

Curious about what your SAI could be? Use the SAI Calculator — it's not official but will give you an estimate of your eligibility.

### **SAI calculator:**

<https://studentaid.gov/aid-estimator/estimate/student-information>



## 4 What is considered an asset for the 2024-2025 FAFSA?

- ✓ Annual child support received
- ✓ Net worth of all businesses, regardless of the size or number of employees
- ✓ Net worth of farm, including the value of a family farm (with the exception of the family's primary residence).
- ✓ Education savings accounts will be counted as parental assets if the account is designated for the dependent student.

