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.