

College Students and Parents: What You Need to Know About the 2017–18 FAFSA®

What's changing for 2017–18?

Starting with the 2017–18 *Free Application for Federal Student Aid* (FAFSA®), these changes will be in effect:

- **You'll be able to submit your FAFSA® earlier.** You can file your 2017–18 FAFSA as early as Oct. 1, 2016, rather than beginning on Jan. 1, 2017. The earlier submission date will be a permanent change, enabling you to complete and submit a FAFSA as early as October 1 every year.
- **You'll use earlier income and tax information.** Beginning with the 2017–18 FAFSA, students will be required to report income and tax information from an earlier tax year. For example, on the 2017–18 FAFSA, you—and your parent(s), as appropriate—will report your 2015 income and tax information, rather than your 2016 income and tax information.

The following table provides a summary of key dates as we transition to using the early FAFSA submission timeframe and earlier tax information.

When a Student Is Attending College (School Year)	When a Student Can Submit a FAFSA	Which Year's Income and Tax Information Is Required
July 1, 2015–June 30, 2016	January 1, 2015–June 30, 2016	2014
July 1, 2016–June 30, 2017	January 1, 2016–June 30, 2017	2015
July 1, 2017–June 30, 2018	October 1, 2016–June 30, 2018	2015
July 1, 2018–June 30, 2019	October 1, 2017–June 30, 2019	2016

How will the changes benefit me?

We expect that you'll benefit in these ways:

- Because the FAFSA will ask for older income and tax information, you will already have done your taxes by the time you fill out your FAFSA, and you won't need to estimate your tax information and then go back into the FAFSA later to update it.
- Because you'll already have done your taxes by the time you fill out your FAFSA, you may be able to use the IRS Data Retrieval Tool (IRS DRT) to automatically import your tax information into your FAFSA. (Learn about the IRS DRT at StudentAid.gov/irsdrdt.)
- Because the FAFSA is available earlier, you may feel less pressure due to having more time to explore and understand your financial aid options and apply for aid before your state's and school's deadlines.

Will FAFSA deadlines be earlier since the application is launching earlier?

We expect that most state and school deadlines will remain approximately the same as in 2016–17. However, several states that offer first come, first served financial aid will change their deadlines from "as soon as

possible after January 1” to “as soon as possible after October 1.” So, as always, it’s important that you check your state and school deadlines so that you don’t miss out on any aid. State deadlines are on fafsa.gov; school deadlines are on schools’ websites.

Since the 2017–18 FAFSA asks for the same tax and income information as the 2016–17 FAFSA, will my 2016–17 FAFSA information automatically be carried over into my 2017–18 renewal FAFSA?

No; too much could have changed since you filed your last FAFSA, and there’s no way to predict what might be different, so you’ll need to enter the information again. However, keep in mind that many people are eligible to use the IRS Data Retrieval Tool to automatically import their tax information into the FAFSA, making the process of reporting tax information quick and easy.

Can I choose to report 2016 information if my family’s financial situation has changed since our 2015 taxes were filed?

You must report the information the FAFSA asks for. If your family’s income has changed substantially since the 2015 tax year, talk to the financial aid office at your school about the family’s situation.

Note: The FAFSA asks for marital status as of the day you fill it out. So if you’re married now but weren’t in 2015 (and therefore didn’t file taxes as married), you’ll need to add your spouse’s income to your FAFSA. Similarly, if you filed your 2015 taxes as married but you’re no longer married when you fill out the FAFSA, you’ll need to subtract your spouse’s income.

Will I receive aid offers earlier if I apply earlier?

Not necessarily; some schools will make offers earlier while others won’t. If you’re thinking of transferring to another school, you might want to look at the College Scorecard at collegescorecard.ed.gov to compare costs at different schools while you wait for your aid offers to arrive. Note: You should be aware that the maximum Federal Pell Grant for 2017–18 won’t be known until early 2017, so keep in mind that even if you do receive an aid offer early, it could change due to various factors.

How will I know what schools to list on the FAFSA if I haven’t decided which schools I’ll be applying to?

List any schools you’re considering applying to, and we’ll send your FAFSA information to them. Later, if you decide to apply to additional schools that you didn’t list on the FAFSA, you can log back in at fafsa.gov and add those schools.

Where can I get more information about—and help with—the FAFSA?

Visit StudentAid.gov/fafsa; and remember, as you fill out your FAFSA at fafsa.gov, you can refer to help text for every question and (during certain times of day) chat online with a customer service representative.

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Myths About Financial Aid

Don't fall for these myths about federal student aid and the application process!

"My parents make too much money, so I won't qualify for aid."

Reality: There is no income cut-off to qualify for federal student aid. Many factors besides income—from the size of your family to the age of your older parent—are taken into account. Your eligibility is determined by a mathematical formula, not by your parents' income alone. And remember: when you fill out the *Free Application for Federal Student Aid (FAFSA®)*, you're also automatically applying for funds from your state, and possibly from your school as well. In fact, some schools won't even consider you for any of their scholarships (including academic scholarships) until you've submitted a FAFSA. Don't make assumptions about what you'll get—fill out the application and find out.

"Only students with good grades get financial aid."

Reality: While a high grade point average will help a student get into a good school and may help with academic scholarships, most of the federal student aid programs do not take a student's grades into consideration. Provided a student maintains satisfactory academic progress in his or her program of study, federal student aid will help a student with an average academic record complete his or her education.

"My ethnicity or age makes me ineligible for federal student aid."

Reality: There are basic eligibility requirements (which you can find at StudentAid.gov/eligibility), but ethnicity and age are not considered.

"I support myself, so I don't have to include parent info on the FAFSA®."

Reality: This is not necessarily true. Even if you support yourself and file taxes on your own, you may still be considered a dependent student for federal student aid purposes. If you are independent, you won't need to include your parents' information on your FAFSA. But if you are dependent, you must provide your parents' information. The FAFSA asks a series of questions to determine your dependency status. You can preview the questions at StudentAid.gov/dependency.

So what's next?

Go to fafsa.gov, fill out the application, and see what you get!

For more information about federal student aid, see StudentAid.gov. For help with the FAFSA process, use the help screens or live chat functionality on fafsa.gov, or contact the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243); TTY: 1-800-730-8913; for inquirers without access to the toll-free number: 334-523-2691; e-mail: studentaid@ed.gov

Find this fact sheet at StudentAid.gov/resources and share it with others!

Federal Student Loan Programs

StudentAid.gov

Will you need a loan to attend college?

If so, think federal aid first. Federal student loans usually offer borrowers lower interest rates and have more flexible repayment terms and options than private student loans.

1. What is a federal student loan?

Federal loans are borrowed funds that you must repay with interest. A federal student loan allows students and their parents to borrow money to help pay for college through loan programs supported by the federal government. They have low interest rates and offer flexible repayment terms, benefits, and options.

2. What is a private student loan?

A private student loan is a nonfederal loan issued by a lender such as a bank or credit union. If you're not sure whether you're being offered a private loan or a federal loan, check with the financial aid office at your school.

3. Why are federal student loans a better option for paying for college?

Federal student loans offer borrowers many benefits not typically found in private loans. These include low fixed interest rates, income-based repayment plans, cancellation for certain employment, and deferment (postponement) options, including deferment of loan payments when a student returns to school. Also, private loans usually require a credit check. For these reasons, students and parents should always exhaust federal student loan options before considering a private loan.

4. How much should I borrow?

Borrow only what you need and consider the earnings potential in your chosen profession to determine how easily you can repay your debt. You can find career salary estimates at the U.S. Department of Labor's Occupational Outlook Handbook at www.bls.gov/oooh. Your student loan payments should be only a small percentage of your salary after you graduate.

Have questions?

Contact or visit the following

- ▶ StudentAid.gov
- ▶ a college financial aid office
- ▶ studentaid@ed.gov
- ▶ 1-800-4-FED-AID (1-800-433-3243) toll free
- ▶ TTY: 1-800-730-8913
- ▶ Find this fact sheet at StudentAid.gov/resources

Federal Student Aid
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What kinds of federal student loans are available?

The interest rates shown are fixed rates for the life of the loan.

Federal Loan Program	Loan Details	Annual Award (subject to change)
Federal Perkins Loan	<ul style="list-style-type: none"> For undergraduate and graduate students Eligibility depends on student's financial need and availability of funds at the college. If you have questions about Perkins Loan eligibility, please contact your college's financial aid office Interest rate is 5% College is the lender; payment is owed to the college that made the loan 	<p>Undergraduate students: up to \$5,500; graduate and professional students: up to \$8,000</p> <p>Total amount may not exceed \$27,500 for undergraduates and \$60,000 for graduate students (including amounts borrowed as an undergraduate)</p>
Direct Subsidized Loan	<ul style="list-style-type: none"> For undergraduate students who demonstrate financial need Loans first disbursed on or after July 1, 2015, and before July 1, 2016, interest rate is 4.29% Student is not usually charged interest on the loan during certain periods The U.S. Department of Education (ED) is the lender; payment is owed to ED 	<p>\$3,500–\$5,500, depending on grade level</p> <p>For total lifetime limit, visit StudentAid.gov/sub-unsub</p>
Direct Unsubsidized Loan	<ul style="list-style-type: none"> For undergraduate and graduate students; financial need is not required For loans first disbursed on or after July 1, 2015, and before July 1, 2016: 4.29% interest rate for undergraduate students, and 5.84% interest rate for graduate and professional students Student is responsible for interest during all periods ED is the lender; payment is owed to ED 	<p>\$5,500–\$20,500 (less any subsidized amounts received for same period), depending on grade level and dependency status</p> <p>For total lifetime limit, visit StudentAid.gov/sub-unsub</p>
Direct PLUS Loan	<ul style="list-style-type: none"> For parents of dependent undergraduate students and for graduate or professional students; financial need is not required Student must be either a dependent undergraduate student for whom a parent is taking out a Direct PLUS Loan or a graduate or professional student who is receiving a Direct PLUS Loan For loans first disbursed on or after July 1, 2015, and before July 1, 2016, interest rate is 6.84% Borrower must not have negative credit history Borrower is responsible for interest during all periods ED is the lender; payment is owed to ED 	<p>Maximum amount is cost of attendance minus any other financial aid student receives; no minimum amount</p>

Note: Find interest rates on loans disbursed before July 1, 2015, at StudentAid.gov/interest.

October 2015

Don't Get Scammed on Your Way to College

Avoid financial aid fraud.

Avoid scams and paying for free services when you're searching for scholarships, filling out the *Free Application for Federal Student Aid (FAFSA®)*, and sharing your personal information.

Don't Pay for Help to Find Money for College

Commercial financial aid advice services can cost well over \$1,000. You might have heard or seen these claims at seminars or online:

- "Buy now or miss this opportunity." Don't give in to pressure tactics. Remember, the "opportunity" is a chance to pay for information you could find yourself for free. Check out our list of free sources of financial aid information below.
- "We guarantee you'll get aid." A company could claim it fulfilled its promise if you were offered student loans or a \$200 scholarship. Is that worth a fee of \$1,000 or more?
- "I've got aid for you; give me your credit card or bank account number." Never give out such information unless you know the organization you're giving it to is legitimate. You could be putting yourself at risk of identity theft.

Try These Free Sources of Information

- Description of U.S. Department of Education financial aid at StudentAid.gov/types
- Tips for finding financial aid from other federal agencies at StudentAid.gov/types#federal-aid
- A college or career school financial aid office
- A high school or TRIO counselor
- Your state grant agency; find it at www.ed.gov/sgt
- A free scholarship search; try StudentAid.gov/scholarships
- Your library's reference section
- Foundations, religious or community organizations, local businesses, or civic groups
- Organizations (including professional associations) related to your field of interest
- Ethnicity-based organizations
- Your employer or your parents' employers

Don't Pay for the FAFSA

Several websites offer help filing the FAFSA for a fee. These sites are not affiliated with or endorsed by the U.S. Department of Education. We urge you not to pay these sites for assistance that you can get for free elsewhere. The official FAFSA is at fafsa.gov, and you can get free help to complete it from

- the financial aid office at your college or the college(s) you're thinking about attending;
- the FAFSA's online help at fafsa.gov; and
- the Federal Student Aid Information Center (studentaid@ed.gov or 1-800-4-FED-AID).

If you are asked for your credit card information while filling out the FAFSA online, you are not at the official government site. Remember, the official FAFSA site address—fafsa.gov—has.gov in it!

Report Financial Aid Fraud

A company charging for financial aid advice is not committing fraud unless it doesn't deliver what it promises. To report financial aid fraud, contact

- the Federal Trade Commission at www.ftccomplaintassistant.gov; or
- the U.S. Department of Education Office of Inspector General Fraud Hotline at www.ed.gov/misused or 1-800-MIS-USED (1-800-647-8733).