

10 Biggest FAFSA Changes You Need to Know

1. **Multiple Accounts:** Any person required to fill out info on the FAFSA needs their own FSA ID.
2. **The FAFSA will be MUCH shorter:** The maximum number of questions required is 36. Length will differ depending on family situation.
3. **The IRS Data Retrieval tool will be replaced by the IRS Data Exchange** to streamline the income submission process. Parents who file taxes separately must both use the tool to qualify for aid.
4. **The Expected Family Contribution (EFC) is now called the Student Aid Index (SAI).** This is a language change to clarify what this number signifies. This is simply a number that gauges your financial need eligibility. It may not be the amount a family will pay. To understand this number in context, please use the formula at right.

Cost of Attendance (COA)

 - **Student Aid Index (SAI)**
 - **Other Financial Assistance (OFA)**

= Financial Need
5. **Families with Multiple Students in College Simultaneously Will No Longer Receive a Discount.**

Historically, families could divide their EFC by the number of students in school at the same time. This is going away, but financial aid administrators are allowed to exercise discretion with this situation. Be sure to encourage your families to appeal their financial aid offers, if appropriate.
6. **For Divorced or Separated Parents,** the parent who provided the most financial support to the student is considered the custodial parent and must be the one to provide their financial information. Before this change, the custodial parent was generally the one with whom the student lived most of the time in the previous calendar year.

7. **Certain Types of Untaxed Income Will Not be Assessed** in the new methodology. This includes money from grandparents/extended family members. Child support received will now be considered as an asset instead of income.
8. **All Businesses and Farms Will Now be Assessed (until July 2026)**. The OBBBA has rolled back this change and small businesses and family farms will not be included anymore.
9. **Unemployment:** If a student or parent can show evidence of unemployment benefits or application for benefits within the last 90 days, financial aid administrators have the discretion to adjust their income to zero for the federal aid calculation.
10. **More Students Will be Eligible for the Pell Grant.** Be sure to encourage parents and students to look up the new Pell Grant eligibility rules.

Helpful Hint: Be sure to establish your FSA ID, determine dependency status, and gather necessary documentation before filling out the FAFSA. You can also utilize these helpful tools:

The College Funding Coach® Get Help Tab:

<https://www.thecollegefundingcoach.org>

Federal Student Aid Estimator:

<https://studentaid.gov/h/apply-for-aid/fafsa>

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