

## **Summary of Changes**

### **2007-2008 Free Application for Federal Student Aid (FAFSA)**

- **Colors** - The 2007-2008 FAFSA colors are yellow for student information and purple for parent information.
- **Year References** - All year references have been incremented by one year.
- **Design** - The design and layout of the FAFSA have changed. The application pages are numbered one through four. The Notes pages are numbered six through ten and the six pages (three pages double-sided and attached) are folded to form a booklet. The previous "Tips" information is incorporated into the booklet as page 10. The unnumbered "page 5" containing basic instructions for filling out the form will be the cover page of the FAFSA booklet. The form itself is placed inside the booklet, and a return envelope is attached to the Notes section and folded inside.
- **Data Elements deleted** - Four data elements were deleted to allow the addition of three new questions required by the Higher Education Reconciliation Act of 2005 (HERA). Deleted are two college and housing choices (2006-2007 questions 94-97). The 2006-2007 questions 27 and 28, asking if the student is interested in loans or work-study, have been combined into a single question (new question 26) that instructs the student to enter a code from the Notes to indicate interest in work-study, loans, both or neither.
- **Data Elements added per the HERA** - A new dependency question 54 allows a student serving on active duty in the U.S. Armed Forces for purposes other than training to be considered independent. Two questions (five separate data elements, questions 71-75 for parents and questions 92-96 for independent students) ask whether anyone in the household received benefits from any of five federal means-tested benefit programs in 2006. Dependent students receiving such a benefit report it in the parents' section. A student/parent who receives such a benefit and has an income at a certain level may qualify for a simplified EFC calculation or an automatic zero EFC calculation.

#### ***Application Pages***

##### ***Page 1***

- **Question 25** - We moved 2006-2007 question 98 regarding the student's expected enrollment status to become new question 25, for space and formatting reasons and for a more logical flow of questions.
- **Question 31** - We revised question 31 asking whether a student had a conviction for possessing or selling illegal drugs to reflect changes made by the HERA. Convictions are to be counted only for offenses that occurred during a period of enrollment for which the student was receiving federal student aid (grants, loans and work-study).

##### ***Page 2***

- **Questions 38-39** - We revised the question on income earned from work to instruct students who file the IRS 1040 form to add "Box 14 of IRS Schedule K-

1 (Form 1065)" to lines 7 + 12 + 18. This allows students to report earned income from partnerships or self-employment.

- **Question 45** - We revised the second sentence to read "For a family farm or family business, see Notes page 7," referring students to new instructions for reporting the value of a small business to reflect changes made by the HERA.
- **Question 54** - We added a new question allowing students serving on active duty in the U.S. Armed Forces for purposes other than training to be considered independent for purposes of applying for federal student aid. We placed this question prior to the question (#55) asking if the student is a veteran.

### ***Page 3***

- **Questions 71-75** - We added new questions asking whether the dependent student or the student's parents received benefits from five federal means-tested benefit programs at any time during 2006, reflecting new provisions in the HERA.
- **Questions 82-83** - We revised the question about parents' income earned from work to instruct those who file the IRS 1040 form to add "Box 14 of IRS Schedule K-1 (Form 1065)" to lines 7 + 12 + 18. This allows parents to include earned income from partnerships or self-employment.

### ***Page 4***

- **Question 89** - We revised the second sentence to read, "For a family farm or family business, see Notes page 7," referring to new instructions regarding reporting the value of parents' small business to reflect changes made by the HERA.
- **Questions 92-96** - We added new questions asking independent students whether they (or their spouse) received benefits from five federal means-tested benefits programs at any time during 2006, reflecting new provisions in the HERA.
- We deleted 2006-2007 questions 94 through 97 to allow space for the addition of new questions.

### ***Notes Pages***

#### ***Cover Page (page 5)***

- We moved instructions and abbreviations for states that did not have specific deadlines to the top of the page.
- We deleted the phrase "File Online and File On Time" for space considerations, and because this information is already provided in the left-hand column.

### ***Page 6***

- **Notes for question 26** - We added instructions for students to enter a code in question 26 on the form to indicate if they were interested in 1) work-study, 2) student loans, 3) both, 4) neither, or 5) don't know.
- **Notes for questions 33c and d and 77c and d** - We expanded the instruction to define U.S. territories and freely associated states.
- **Notes for questions 34 and 78** - We revised the instructions to emphasize the description of who is not eligible to file a 1040EZ.

### **Page 7**

- **Notes for questions 43-45 and 87-89** - We added instructions specifically for questions 44 and 88 regarding net worth of investments, to clarify that the value of education savings accounts and prepaid tuition plans should be reported as an asset of the parent and not of a dependent student, reflecting changes made in the HERA. Also, the instructions state that UGMA, UTMA and JTEN accounts should be reported as student assets.
- We added instructions specifically for questions 45 and 89 about reporting the net worth of a family's business and/or investment farm. The HERA excludes the value of a small business that the family owns and controls and that has 100 or fewer full-time or full-time equivalent employees.
- **Notes for question 54** - We added new instructions for students who are currently serving on active duty in the U.S. armed forces to indicate that a National Guard or Reserves enlistee is considered on active duty if called up for other than state or training purposes.
- **Notes for questions 56-89** - We revised these Notes (who is considered a parent) to emphasize that grandparents, foster parents and legal guardians are not considered parents unless they have legally adopted the student.

### **Page 8**

- **Notes for question 67 and 91** - We split the instructions for reporting the number in the family who are attending college into two separate instructions, one for the parents' household and one for the independent student's household.
- **Notes for questions 71-75** - We added new instructions for dependent students and their parents regarding how to answer new questions (reflecting HERA provisions) on whether they received benefits from five federal means-tested benefit programs. The Notes instruct students to report benefits for anyone who is included in the parents' household in question 66.
- **Notes for questions 92-96** - We added new instructions for independent students and spouse regarding how to answer new questions about receipt of benefits from five federal means-tested benefit programs, as provided in the HERA. The Notes instruct the student to report benefits for anyone included in the student's household in question 90.

### **Page 10**

- We incorporated the most critical information from the former FAFSA insert into a single page "What is the FAFSA?"

- We added information reminding students how they could have more colleges receive their FAFSA information by going online or calling the Federal Student Aid Information Center.