FAFSA 2024 -25 SIMPLIFICATION

On Dec. 27, 2020, Congress passed the *FAFSA Simplification Act*. This act will offer a major redesign of the processes and systems used to award federal financial aid.

Below you will find some of the proposed changes to the FAFSA beginning with the 2024-2025 academic year.

- Students and families will find the Free Application for Federal Student Aid, or FAFSA, easier to complete with fewer questions.

- Everyone who enters their information on the FAFSA will be required to create a FSA ID (Federal Student Aid ID), even if they do NOT have a Social Security Number. All FSA IDs must be set up <u>before</u> starting the FAFSA.

- Every student and parent must have an FSA ID. If parents filed their taxes separately, each parent will need their own FSA ID to enter information and sign the FAFSA.

- Everyone who enters their information on the FAFSA must give the U.S. Department of Education consent to access their federal income tax information from the IRS, even if they did NOT file a tax return.

- The release date for the 2024-2025 FAFSA has not been finalized, but could be later than the normal Oct. 1 date.

- Family size will come from the number of exemptions reported on the federal tax return used to complete the FAFSA.

- The result of completing the FAFSA and entering income and asset information has long been known as the Expected Family Contribution, or EFC. It will now be called the Student Aid Index, or SAI.

- The number of household <u>dependents attending college</u> will no longer affect the income/asset calculation.

- Families may now be required to show the value of their small business and/or farm on the FAFSA.