

Better FAFSA Myths and Facts

Myth: Parents without Social Security Numbers (SSNs) (i.e., undocumented) will not be able to contribute their information to a Free Application for Federal Student Aid (FAFSA).

Fact: Federal Student Aid (FSA) is implementing a new process that will allow parents who do not have an SSN to obtain an FSA ID. FSA has not yet shared the details of that process, but they have said it will use the TransUnion Credit Bureau to verify peoples' identities. Parents who are undocumented will need an FSA ID to complete the FAFSA online, but those who are not able to verify their identity through the new process will have the option of completing a paper FAFSA form.

Myth: Students whose families own farms or small businesses will see their federal student aid decrease significantly.

Fact: While the new formula does require assets from family farms and small businesses to be reported in some cases, financial aid awards will be impacted differently by the new formula for determining federal financial aid. Families with adjusted gross income of \$60,000 or less will not be required to report assets at all and students from families earning up to 175% of the federal poverty limit will automatically receive a maximum Pell Grant. Families required to report the net value of small businesses and family farms may see an increase in their student aid index. Only a small percentage (12) of assets is used in the Student Aid Index (SAI) calculation. The new formula will increase the number of students who will be eligible for a Pell Grant overall.


Myth: Students with siblings in college will automatically no longer be eligible for Pell Grants.

Fact: Students from low-income households will likely maintain their eligibility for a Pell Grant and that population will grow when compared with the current formula for determining federal financial aid. At higher income levels, students with siblings in college may see their Pell eligibility diminish or disappear, but they may still be eligible for institutional aid. See here for an estimator of the impact by income level.

Myth: Students and parents will be able to access the online FAFSA form without an FSA ID.

Fact: Everyone will need an FSA ID to access the FAFSA. The process for obtaining an FSA ID will remain the same as it is now for people who have an SSN. It is available now and takes one to three business days to complete. Parents who do not have an SSN will go through a new process that will launch at the same time as the new FAFSA form.

Myth: The custodial parent is always whose information should be reported for dependent students.



Fact: If the custodial parent provides the most financial support for the student, that parent (and their spouse/partner, if applicable), is the parent information whose information needs to be submitted on the form. If the parent who provides the most financial support is the non-custodial parent, that person (and their spouse/partner, if applicable) should be reporting their information on the form.

Myth: Both parents must complete the FAFSA.

Fact: Only the parent (and their spouse/partner, if applicable) who contributes the most financially to their child's upbringing completes the FAFSA.

Myth: Students will be required to enter their gender, race, and ethnicity on the FAFSA.

Fact: While those questions will be a part of the student demographic section, “decline to answer” is an option for each question. The information provided in this section will not be used to determine a student's federal, state, or institutional aid or eligibility. The information will not even be shared with any state agency or institutions.

Myth: The FAFSA will be available in the 11 most common languages.

Fact: The FAFSA will be available in English and Spanish. Language translation services will be available over the phone for students and families needing additional language support.

Myth: Students must start the FAFSA because parents must be invited to contribute.

Fact: Students or their parents may initiate a FAFSA. The form will only be considered complete once everyone has completed their sections.

Myth: Even though a student or their parent has given consent for their federal tax information to be transferred to the FAFSA, they can revoke it at any time.

Fact: Once a FAFSA contributor has provided approval and consent for use and disclosure of federal tax information (FTI) for a FAFSA cycle, they cannot revoke consent for that cycle. The ability to revoke consent is not needed for FAFSA purposes because the FAFSA contributor is providing a one-time consent for a specific tax year and an annual consent is required for each FAFSA cycle.

Myth: Both parties on a joint tax return must provide consent for FTI to be transferred to a FAFSA.

Fact: Only one party on a joint tax return is required to obtain an FSA ID and provide consent for FTI to be transferred.