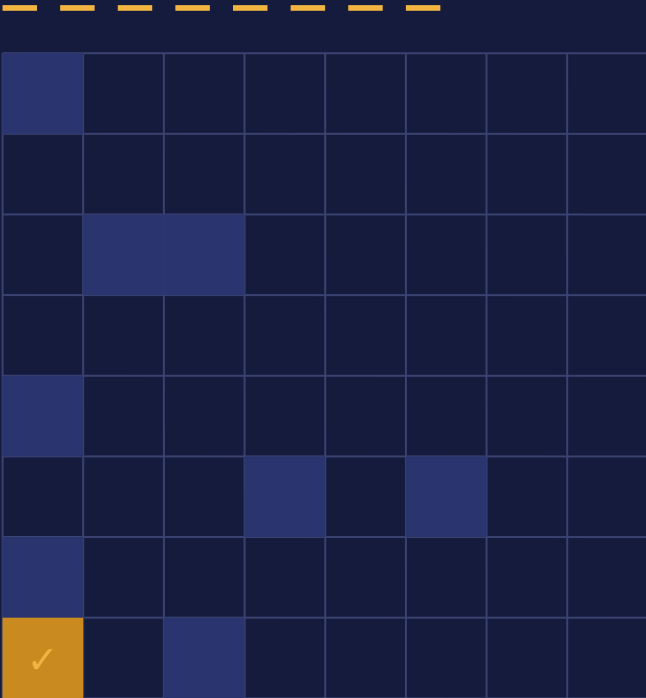


Details for Filling Out the 2027-28 FAFSA



A companion to our webinar, What You Need to Know About Financial Aid: Your Guide to the 2027-28 FAFSA. Watch the recording and read the full transcript at:

lifelaunchr.com/your-guide-to-the-2027-28-fafsa

What You'll Need: Full Checklist

Accounts and Personal Information

- StudentAid.gov accounts for the student and each contributor
- Social Security numbers (parents without one can still create an account)
- Alien Registration Number, for eligible noncitizen students
- Dates you became residents of your state
- List of up to 20 colleges

Financial Records

- 2025 federal tax returns and W-2s
- Territory or foreign tax returns, if any
- Records of untaxed income
- Child support received
- Balances of cash, savings, and checking
- Brokerage, investment, and parent-owned 529 statements
- Value of real estate other than your home
- Business or farm information, to confirm the exclusion

2027-28 Form Changes in Detail

- ✓ Three new questions for each contributor who filed a 2025 tax return in Puerto Rico or another U.S. territory
- ✓ The “Filed non-U.S. tax return” question was removed. Foreign income options were reorganized.
- ✓ Rewritten questions: college plans, homelessness, high school completion, family size, federal benefits, and parents' refusal to provide information
- ✓ “Personal Circumstances” is now “Background.” “Signature” is now “Review and Sign.”
- ✓ Asset helper text: don't include cash under \$1,000, your home, or retirement accounts
- ✓ Real-time processing, QR code invites, and identity checks at submission

Federal Rule Changes in Detail

Pell Grant

- Not eligible if SAI is at least 2x the maximum Pell Grant (2026-27 threshold: \$14,790)
- Not eligible if non-federal grants cover the full cost of attendance
- Foreign earned income is added back to AGI for Pell
- Maximum award: \$7,395 for 2026-27. The FY 2027 budget proposal keeps it at \$7,395 for 2027-28 (not yet final).

Loans

- Parent PLUS: \$20,000 a year, \$65,000 total per student, starting July 1, 2026
- Annual loans prorated for less than full-time enrollment
- Colleges may set lower limits for some programs

The Earnings Test

- ✓ Created by the 2025 federal budget law (the One Big Beautiful Bill Act)
- ✓ Undergraduate programs are compared with the earnings of high school graduates. Graduate programs, with bachelor's degree holders.
- ✓ Programs below the benchmark in two of three years lose Direct Loan eligibility
- ✓ Some failing programs can also lose Pell eligibility if their college fails a separate test
- ✓ The Department published program-level performance data covering about 50,000 programs

What Counts as an Asset

Report

- Cash, savings, and checking (over \$1,000)
- Stocks, bonds, CDs, and mutual funds
- Real estate other than your home
- Parent-owned 529 and education savings accounts
- UGMA/UTMA accounts the student owns
- Child support received
- Businesses with more than 100 employees

Don't Report

- The home you live in
- Retirement accounts: 401(k), IRA, pension, annuities
- Family businesses with 100 or fewer employees
- Family farms you live on; family fishing businesses
- UGMA/UTMA accounts where you're only the custodian
- Life insurance value
- ABLE accounts

Asset Reporting Exemption

You Don't Report Assets If

- You qualify for the maximum Pell Grant, or
- Parents' AGI is under \$60,000 and one of these applies: no Schedule 1 filed, someone in the family received a means-tested benefit, or business income within \$10,000
- Independent students: same tests, using their own AGI

Means-Tested Benefits

- Medicaid and CHIP
- Supplemental Security Income (SSI)
- SNAP
- TANF
- WIC
- Free or reduced-price school lunch (based on income)
- Federal housing assistance

Siblings in College

- ✓ Since 2024-25, the FAFSA no longer reduces the SAI when siblings are in college at the same time.
- ✓ The form still asks how many family members are in college.
- ✓ Some colleges that use the CSS Profile or their own forms still consider siblings.
- ✓ Families with overlapping college years should ask each college how it treats siblings.

Eligibility and Options for Noncitizens

Eligible Noncitizens

- Permanent residents
- Refugees and asylees
- Certain other statuses
- Details:
studentaid.gov/understand-aid/eligibility/requirements/non-us-citizens

Not Eligible: Where to Look

- Nonimmigrant visas (H-4, F-1, L-2, and others) and undocumented students are not eligible for federal aid
- Colleges' own aid via the CSS Profile or international aid forms
- State aid in some states
- Private scholarships

● APPENDIX A9

Accounts, Consent, and Contributors



Every student and contributor needs their own StudentAid.gov account. Accounts can't be shared.



Each contributor must consent to the transfer of federal tax information from the IRS. Without consent, the student isn't eligible for federal aid.



The student starts the form and invites contributors by email, code, or QR code.



Parents without SSNs can create accounts and enter tax information manually.



The form isn't complete until every contributor signs.

Sending and Changing Your FAFSA

Sending to Colleges

- List up to 20 colleges online (10 on paper)
- Add or swap colleges after you submit
- Some states require in-state colleges listed in a certain order

Changing After You File

- Assets are fixed as of the day you file. You can't update them.
- Some changes are required, such as dependency status
- You must correct errors found in verification
- studentaid.gov/apply-for-aid/fafsa/review-and-correct

Verification Step by Step

- | | | |
|---|----------------------------|--|
| 1 | Know Who's Asking | Selection can come from the Department or from a college. Colleges can't pay aid until verification is complete. |
| 2 | Read Carefully | Each college's request is different. Complete verification worksheets fully and correctly. |
| 3 | Document Everything | Attach every supporting document: tax transcripts, W-2s, statements. |
| 4 | Close the Loop | Meet the college's deadline, then confirm it has everything it needs. |

Special and Unusual Circumstances

Special: Can Adjust Aid

- Job loss or pay cuts
- Private K-12 tuition
- High medical or dental costs not covered by insurance
- Other changes in income or assets since 2025

Unusual: Can Change Dependency

- Parental abandonment or incarceration
- Unable to contact parents
- Contact with parents poses a risk
- Human trafficking, refugee, or asylee status

Types of Federal Aid

1

Grants

Pell Grant, for students with exceptional need. FSEOG, up to \$4,000 a year, administered by colleges.

2

Work-Study

Designated campus jobs. Earnings from them don't reduce future aid eligibility.

3

Loans

Direct Subsidized and Unsubsidized loans, and Parent PLUS loans, now capped.
studentaid.gov/understand-aid/types/loans

State Aid



Most states use the FAFSA to award their own grants and scholarships.



Many states award aid first-come, first-served until funds run out.



Some states require a separate application or list colleges in a specific order.



Check your state's deadline: studentaid.gov/apply-for-aid/fafsa/fafsa-deadlines



California families: Cal Grant eligibility depends on filing by the state deadline.

Resources

- ✓ FSA 2027–28 FAFSA Preview Presentation (field-by-field screenshots): fsapartners.ed.gov/knowledge-center, search “2027–28 FAFSA Preview Presentation”
- ✓ Start the FAFSA: studentaid.gov
- ✓ Step-by-step videos: youtube.com/@FederalStudentAid
- ✓ State deadlines: studentaid.gov/apply-for-aid/fafsa/fafsa-deadlines
- ✓ Each college's net price calculator, on its financial aid site
- ✓ Questions: help@lifelaunchr.com