

FAFSA Simplification 2024-25

The U.S. Department of Education has launched the overhauled 2024-25 FAFSA; however, schools won't begin to receive FAFSA data until mid-March (at the earliest), which means we won't be able to notify students that Tuskegee has received their application until late March or early April. More specific timelines will be announced on our website and via email.

2024-25 FAFSA[®]

The 2024-25 Free Application for Federal Student Aid (FAFSA[®]) ushers in the biggest changes made to the aid application in generations.

How federal aid eligibility is determined, and, by default, what is asked on the FAFSA[®] are set by Congress. Legislation passed in 2020 was aimed at simplifying the application process and brings about several changes in calculating aid eligibility beginning with the 2024-25 academic year.

2024-25 FAFSA[®] now available.

Click [here](#) to complete.

FAFSA[®] Changes

There will be three more obvious changes that all families will experience when completing the new FAFSA[®].

Simplification: The FAFSA[®] will reduce in maximum questions from 108 questions to 46. And because the FAFSA[®] on the Web is dynamic, some students won't even be presented with all 46 questions. Recent FAFSA[®] filers saw some questions dropped, and others will no longer be asked due to the way that tax and income information is now gathered.

Tax/Income Data: Previously, students, a student's spouse (when married), and parent(s) (when students are dependent) entered their tax information or used the IRS Data Retrieval Tool (DRT) to transfer tax data from the IRS to the FAFSA[®]. Beginning with 2024-25, all persons listing tax information on the FAFSA[®] will be required to use the IRS Direct Data Exchange (DDX) to share tax information or confirm non-filing status. DDX gives ease to the process and reduces questions to be answered. This change also requires the student, spouse, and all parents with tax data reported to get an FSA ID (if you don't each have one already).

Student Aid Index (SAI): The FAFSA[®] previously calculated an Estimated Family Contribution (EFC). Now the FAFSA[®] will produce the Student Aid Index (SAI). This name more accurately describes a number used to determine aid eligibility within programs and compared to other students. Also, this number, unlike the EFC, can be negative with the minimum SAI being -1500.

EFC becoming SAI is more than a name update. The calculation of the SAI differs from the EFC calculation of the past and makes the following changes that may change your aid eligibility:

No benefit for having siblings in college: The FAFSA[®] previously divided the EFC proportionally based on the number of the household in college. The elimination of this "sibling discount" will be the biggest change in aid eligibility for some students. The SAI will not use the number in college as a factor in calculation of eligibility. The determination to no longer consider number in college was made by Congress and can only be changed by Congress.

Automatic Pell Grants based on income and household size: Families making less than 175% and single parents making less than 225% of the federal poverty level will see their students receive a maximum Federal Pell Grant award. Minimum Pell Grants will be guaranteed to students from households below 275%, 325%, 350%, or 400% of the poverty level, depending on household structure. Pell awards between the maximum and minimum amounts will be determined by SAI.

Larger Income Protection Allowances: The Income Protection Allowance (IPA) covers a family's basic living expenses and is excluded from SAI formulas. New, larger IPAs lower the amount of student or parent income considered to be available to pay for college. IPAs will increase by 20% for parents, up to about \$2400 (35%) for most students, and up to about \$6500 (60%) for students who are single parents.

Inclusion of family farms or small businesses: When required, families will now report the value of their farms or businesses. While this inclusion continues to be debated in Congress, it will be required reporting for appropriate families on the 2024-25 FAFSA[®] and can influence the SAI.

What is Not Changing?

While the FAFSA[®] is receiving an update and the aid eligibility calculation has been revised, there are several aid-related matters that will not change.

- The FAFSA[®] will remain required for federal aid consideration and will be used as well for institutional and state aid determination.
- Questions introduced in 2023-24 about the applicant's sex, race, and ethnicity have no effect on federal student aid eligibility and remain only for statistical purposes.
- Dependency status questions that determine if your parents complete the FAFSA[®] with you remain the same.
- The FAFSA[®] will request tax information from the prior-prior year. Families with significant reductions in income levels can review the special circumstance process.
- Degree-seeking students will be eligible for student loan amounts assuming they complete the FAFSA[®] and are not default on their previous student loans.
- Because some aid programs are awarded on a first-come, first-serve basis, an early FAFSA[®] application receives priority consideration for limited funding sources.

- With the 2025-26 FAFSA[®], the FAFSA[®] is again expected to be available beginning October 1 of each year.
- The FAFSA[®] remains an annual application that continuing students will need to complete each year.