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ABSTRACT

A guide to the family contribution (FC) for federal student financial aid programs is presented. Information is provided on the steps of the U.S. Department of Education's version of the Uniform Methodology (UM), the system most frequently used by need analysis services and financial aid administrators to determine the family's ability to contribute to college costs. The UM calculation produces a number, the FC, based on analysis of the family's income and assets, with allowances for basic living expenses and extraordinary, nondiscretionary expenses. The FC is used chiefly to award aid from the campus-based programs (National Direct Student Loans, College Work Study, and Supplemental Educational Opportunity Grants). However, it can also be used for the Guaranteed Student Loan program. For dependent students, both the parents' contribution and the total student contribution are covered. For independent students, information is provided on income supplements and the contribution form taxable and untaxed income. Sample case studies for dependent and independent students are included, along with family contribution tables, worksheets, and line item references for the Student Aid Report/Application for Federal Student Aid. (SW)

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# The Family Contribution Formula

## 1984-85

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## INTRODUCTION

The Family Contribution Formula, 1984-85 is a step-by-step guide to the U.S. Department of Education's version of the Uniform Methodology (UM), the system most frequently used by need analysis services and financial aid administrators to determine a family's ability to pay for postsecondary education. The UM was developed in 1975 by the National Task Force on Student Aid Problems as a means of consistently and fairly evaluating the components of a family's financial strength. The UM has become one of the most important tools financial aid administrators use in determining a student's eligibility for aid.

The UM calculation produces a number--the Family Contribution (FC)--which is the amount the family is expected to contribute toward the cost of postsecondary education. The FC is the result of an analysis of the family's income and assets, with allowances made for basic living expenses and extraordinary, non-discretionary expenses. Underlying the formula is the assumption that the primary responsibility for paying a student's educational expenses rests with the family, once the costs of maintaining the family have been considered. For dependent students, "family" means primarily the parents, although the student is expected to contribute as well. For independent students, "family" means the student and spouse, if the student is married.

The Family Contribution is used chiefly to award aid from the campus-based programs (National Direct Student Loans, College Work-Study, and Supplemental Educational Opportunity Grants). However, it can also be used in place of the figures from the Guaranteed Student Loan (GSL) Family Contribution Schedule, published annually. (Note that, if a student has already received campus-based aid at the time he or she applies for a GSL, the family contribution figure used to establish need for campus-based aid must also be used for GSL applicants whose family income exceeds \$30,000.)

The Family Contribution Formula, 1984-85 consists of--

- o computation procedures explaining each step in calculating FC's for dependent students and for independent students
- o sample case studies, which illustrate how the FC is determined for students with various family and financial circumstances
- o Family Contribution tables (the tables used throughout the Computation Procedures section, are reprinted in one place for easy reference)
- o a cross-reference of all items of information that appear on the Application for Federal Student Aid (AFSA) and on the Student Aid Report (SAR), with corresponding item numbers from each document
- o blank worksheets, which may be photocopied for use in recalculating an FC

NOTE: Many of the components used in the Family Contribution calculation correspond directly to items of information on the SAR. Whenever one of these components is mentioned in the Computation Procedures section, it will be followed in parentheses by the item reference from the SAR ("Item \_\_\_\_"). For example, "Income from Form 1040/1040A/1040EZ (Item 27)" means that this component of the FC can be found on the SAR as Item 27. The SAR reference is used because it is assumed aid administrators will work from this document when doing a recalculation of an FC.

## 1. Computation Procedures

### A. Dependent Student

The Family Contribution for a dependent student is the amount of funds considered available to pay for a student's direct and indirect postsecondary educational costs for nine months. The Family Contribution is the sum of two components: the Parents' Contribution for the Student and the Total Student Contribution. This section describes each step in determining both components.

#### 1. Parents' Contribution for the Student

The process for determining the Parents' Contribution for the Student can be summarized as follows:

Available Income
+ <u>Income Supplement (derived from Assets)</u>
= Adjusted Available Income
<u>Contribution from Adjusted Available Income</u>
<u>(Using Adjusted Available Income Taxation Rate)</u>
= Total Parents' Contribution
÷ <u>Number of Family Members (Other than Parents)</u>
<u>in Postsecondary Education At Least Half-Time</u>
= Parents' Contribution for the Student

#### a. Available Income

Available Income is the amount of the parents' income considered available for discretionary purposes, including paying for postsecondary education.

Available Income equals the parents' Total Income minus Total Allowances.

#### i. Total Income

For tax filers, Total Income is the sum of the parents'--

- o Income from Form 1040/1040A/1040EZ (Item 27)\*  
(Adjusted Gross Income)
- o IRA/Keogh payments (Item 30)
- o Social Security benefits (Item 34)

\*All item numbers in the Family Contribution Formula refer to items on the 1984-85 Student Aid Report (SAR).

- o AFDC/ADC benefits (Item 35)
- o Other untaxed income (Item 36)

NOTE: For 1984-85, untaxed income includes the IRS deduction for a married couple when both work (IRS Form 1040, line 29; 1040A, line 12).

For non-tax filers,\*\* Total Income is the sum of--

- o Father's income earned from work (Item 32)
- o Mother's income earned from work (Item 33)
- o IRA/Keogh payments (Item 30)
- o Social Security benefits (Item 34)
- o AFDC/ADC benefits (Item 35)
- o Other untaxed income (Item 36)

Generally, all parental income reported is from the calendar year preceding the academic year for which aid is requested. Thus, for 1984-85, parental income for 1983 will normally be used. However, if a Special Condition Application is filed, expected parental income for 1984 will be used.

ii. Total Allowances

From Total Income, the following allowances for taxes, basic living costs, and unusual expenses are subtracted:

o U.S. income tax paid

This allowance is the full amount paid in U.S. income taxes (Item 28).

o Social Security (F.I.C.A.) taxes

The allowance for these taxes is 6.7 percent of the first \$35,700 of the earned income of each parent, not to exceed \$2,392 for each working parent. (Item 32 and/or Item 33 contain earned income amounts.)

o State and other taxes

This allowance approximates what parents pay in State and local income taxes and in property, sales, and excise taxes. The allowance is a percentage of Total Income and varies

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\*\*"Non-tax filers" are those who did not file a 1983 U.S. income tax return.

according to State and income level (see Table 1). Standard percentages have been established because most families do not have accurate records of what they paid in State and local taxes. However, if actual amounts from IRS Form 1040, Schedule A, line 12, are available, the financial aid administrator may use those instead of the percentages in the table.

NOTE: The State to be used is the parents' State of legal residence (Item 20). If Item 20 is blank or invalid, the student's State of legal residence (Item 6) is used. If Item 6 is blank or invalid, the State given as the student's permanent street address (Item 69) is used. If all of these items are blank or invalid, the Blank or Invalid State percentage in Table 1 is used.

Table 1

ALLOWANCE FOR STATE AND OTHER TAXES

State	Percent of Total Income	
	\$0- \$14,999	\$15,000 or more
AS, CM, GU, LA, TT, TX, VI, WY. . . . .	4%	3%
FL, NV, TN. . . . .	5%	4%
AL, IN, MS, ND, OK, PR, SD, WA, WV. . . . .	6%	5%
AZ, AR, IL, KS, MO, NH, NM, OH. . . . .	7%	6%
AK, CT, GA, ID, IA, KY, MT, NC, NE, SC. . . . .	8%	7%
CA, CO, DE, ME, NJ, OR, PA, UT, VA. . . . .	9%	8%
DC, HI, MI, VT. . . . .	10%	9%
MD, MN, RI, WI. . . . .	11%	10%
MA. . . . .	12%	11%
NY. . . . .	14%	13%
Blank or Invalid State. . . . .	4%	3%

o Medical/Dental Expenses

The medical/dental expense allowance is that portion of medical and dental expenses given in Item 37 on the SAR that exceeds 3 percent of Total Income. The expenses in Item 37 exclude those covered by health insurance and also exclude insurance premium costs.

o Employment Expense Allowance

Families that do not have a non-employed parent in the home (families with two working parents or one-parent families) have extra expenses that must be considered. Therefore, an allowance is provided for housekeeping services, transportation, clothing and upkeep, and meals away from home. For two working parents, the allowance is 30 percent of the lesser of the earned incomes (Item 32 or Item 33), or \$1,900, whichever is less. For one-parent families, the allowance is 30 percent of earned income, or \$1,900, whichever is less.

NOTE: If "Parent's Marital Status" (Item 19) is blank and the number in "Parent's Household Size" (Item 22) is 3 or more, the parent is assumed to be married. If Item 19 is blank and Item 22 is 2, the parent is assumed to be single. "Single" also means divorced, widowed, or separated.

o Elementary and Secondary Tuition Expenses

An allowance is made for tuition costs for dependent children attending elementary and secondary school (Item 38). However, because these costs are considered to be at least partially discretionary, the amount allowed is only that portion of tuition expenses that exceeds 4 percent of Total Income but does not exceed \$1,400.

o Standard Maintenance Allowance

This allowance is a provision for basic family maintenance expenses, which must be considered before any parental contribution for postsecondary education can be determined. The allowance varies according to family size and the number enrolled in postsecondary education (see Table 2 on page 5). It is based on the Bureau of Labor Statistics' (BLS') 1967 estimates of Consumption and Other Costs for a family living at the low budget standard. These BLS figures have been adjusted to exclude (1) sustenance costs for the applicant for nine months, since it is assumed he or she will live away from home at least nine months of the year, and (2) State income and other taxes, since a separate allowance is made for these (see pages 2-3).

The adjusted BLS figures have been increased for 1984-85, based on changes in the rental substitution Consumer Price Index for all urban consumers (CPI-U-X1). The figures have also been corrected because of an overestimate of 1982

inflation that was used for the 1983-84 Uniform Methodology. In addition, the figures have been increased by 6 percent for estimated inflation for 1983.

Derivation of the 1984-85 SMA Base	
Adjusted BLS Base	\$ 4,140
CPI-U-X1: 1967 through 12/82	= 268.6
Add 6% for 1983	= <u>16.1</u>
Est. CPI-U-X1 through 12/83	284.7
	x <u>2.847</u>
SMA Base for 1984-85	\$11,787
SMA Base for 1984-85 (rounded)	<u>\$11,790</u>

The BLS Revised Equivalence Scale (Bulletin 1570-2, Table 1) is used, with agreed-upon exceptions, to adjust this family-of-four base for families of various sizes.

It is assumed that family living expenses decrease when additional family members live away from home while enrolled in school. Thus, a family's Standard Maintenance Allowance is reduced by \$1,310 for each family member, other than the applicant and parents, who will be enrolled in postsecondary education at least half-time in 1984-85.

Table 2	
STANDARD MAINTENANCE ALLOWANCE 1984-85	
Family Size (including applicant)	Allowance*
2 . . . . .	\$ 7,660
3 . . . . .	9,550
4 . . . . .	11,790
5 . . . . .	13,910
6 . . . . .	16,270
each additional . . . . .	1,840

\*Deduct \$1,310 for each family member (other than the applicant and parents) who will be enrolled at least half-time in postsecondary education in 1984-85.

#### SUMMARY OF AVAILABLE INCOME

Adjusted Gross Income or  
Income Earned from Work  
+ IRA/Keogh Payments  
+ Social Security Benefits  
+ AFDC/ADC Benefits  
+ Other Untaxed Income  
= Total Income  
  
- U.S. Income Tax Paid  
- Social Security Taxes  
- State Income and Other Taxes  
- Medical/Dental Expenses (over 3%  
of Total Income)  
- Employment Expense Allowance  
- Elementary/Secondary Tuition  
Expenses (over 4% of Total  
Income, not to exceed \$1,400)  
- Standard Maintenance Allowance  
= Available Income

#### b. Income Supplement

To fully measure a family's financial resources, the family's assets must be considered in addition to its income. The Income Supplement is an amount that is added to Available Income to determine the effect the presence or absence of assets has on the family's financial strength.

If the Income Supplement is a positive number, it represents the added strength assets give to the family's financial resources. Moreover, it indicates that a portion of the family's assets can be used for discretionary purposes, yet the family will still have assets reserved for retirement, emergencies, or similar needs:

If the Income Supplement is a negative number, it means that a family has not accumulated enough assets to provide security for retirement, emergencies, and other purposes. In these cases, the Income Supplement will reduce a portion of Available Income so that the family has a chance to accumulate assets.

The Income Supplement is derived by multiplying the family's Discretionary Net Worth by the appropriate Asset Conversion Rate.

#### i. Discretionary Net Worth

Discretionary Net Worth equals the parents' Net Worth minus the Home and Other Asset Protection Allowance.

(A.) Net Worth

Net Worth is the sum of the following parental assets:

- o Cash, savings, and checking accounts (Item 44)
- o Home equity (Item 45 minus Item 46)
- o Other real estate and investment equity (Item 47 minus Item 48)
- o Net worth of a business or farm (Item 49 minus Item 50), adjusted to protect the earning capacity of these assets and to preclude double taxation of the income earned (see Table 3).

Net Worth	Adjusted Net Worth
Less than \$1 . . . . .	\$0
\$ 1--\$ 55,000 . . . . .	40% of Net Worth
\$ 55,001--\$165,000 . . . . .	\$22,000 + 50% of excess over \$55,000
\$165,001--\$275,000 . . . . .	\$77,000 + 60% of excess over \$165,000
\$275,001 or more . . . . .	\$143,000 + 100% of excess over \$275,000

(B.) Home and Other Asset Protection Allowance

From the parents' Net Worth, the Home and Other Asset Protection Allowance is subtracted (see Table 4 on page 9). This deduction protects a portion of the family's assets for retirement or emergencies, leaving the balance of Net Worth for discretionary purposes. The allowance approximates the cost of an annuity policy, purchased at the current age of the older parent, which would provide a moderate level of living (when combined with average Social Security benefits) for a retired couple or for a retired single person. An increase in living costs (estimated at 6 percent per year) is built into the formula. Also, it is assumed that Social Security benefits will increase to cover the same proportion of living costs as they do now. Life expectancy data are from the National Center for Health Statistics.

The table reflects an increase in the moderate budget for retired persons for 1983 and an increase in the average Social Security benefits for a retired couple and for a single person. The formula used to derive the allowance is--



$$APA = PMT_c (1 + f) \frac{n + r}{2} \left[ \frac{1 - (1 + i)^{n+r}}{i} \right] (1 + i)^{-n} (1 + L)$$

- APA = Home and Other Asset Protection Allowance = present cost of the annuity
- PMT<sub>c</sub> = annual difference between the moderate budget and average Social Security benefits for a retired couple (\$3,820) or person (\$2,179)
- f = estimated average annual rate of future inflation (6%)
- i = rate of average annual return on the annuity (8%)
- n = number of years to retirement (at age 65)
- r = remaining life expectancy in years (NCHS statistics for 1978)
- L = loading charge on annuity purchase (6%)

All allowances have been rounded to the nearest \$100.

NOTE: If the older parent's age is under 40, the allowance for age 40 is used. If the older parent's age is over 65, the allowance for age 65 is used. If "Age of Older Parent" (Item 21) is blank, the allowance for age 45 should be used.

If "Parent's Marital Status" (Item 19) is blank, it should be assumed the parent is married if "Parent's Household Size" (Item 22) is 3 or more. If Item 22 is 2, it should be assumed the parent is single. "Single" also means divorced, widowed, or separated.

Table 4

HOME AND OTHER ASSET PROTECTION ALLOWANCE

Age of Older Parent	Allowance for Couple	Allowance-- Single
40 or under	\$25,800	\$19,100
41	26,500	19,400
42	27,300	19,900
43	28,000	20,400
44	28,800	20,800
45	29,600	21,300
46	30,400	21,900
47	31,200	22,400
48	32,300	23,000
49	33,100	23,600
50	34,300	24,200
51	35,200	24,800
52	36,400	25,600
53	37,600	26,200
54	38,900	27,000
55	40,200	27,700
56	41,600	28,600
57	43,200	29,300
58	44,700	30,200
59	46,400	31,100
60	47,900	32,000
61	49,800	33,000
62	51,700	34,000
63	53,700	35,100
64	56,100	36,300
65 or over	58,200	37,400

ii. Asset Conversion Rate

After Discretionary Net Worth has been determined by subtracting the Home and Other Asset Protection Allowance from Net Worth, it is multiplied by the appropriate Asset Conversion Rate (see Table 5 on page 11). This rate in effect "converts" a percentage of assets to income. The portion of Discretionary Net Worth "converted" becomes the Income Supplement.

A positive Discretionary Net Worth (\$0 or more) indicates that a family has accumulated enough assets to provide a moderate level of living for retirement, plus additional reserves, regardless of the amount of its Available Income. Twelve percent of a positive Discretionary Net Worth is "converted" to a positive Income Supplement. Adding this Income Supplement to Available Income increases the amount of income that can be used for discretionary purposes.

A negative Discretionary Net Worth indicates that assets sufficient for a modest retirement have not been accumulated, and the result is an asset deficiency. In these cases, the Asset Conversion Rate varies and depends on the amount of the family's Available Income:

o. If Available Income is \$0 or less, the Asset Conversion Rate is 6 percent.

o. If Available Income is at least \$1 but below the Bureau of Labor Statistics' (BLS') upper budget level for 1984-85 (which is \$15,000, using the CPI-U-X1), the Asset Conversion Rate is calculated according to the formula shown in Table 5. This formula is--

$$\frac{\text{BLS Upper Budget Level (\$15,000)} - \text{Available Income}}{\text{BLS Upper Budget Level}} \times 6\%$$

The effect of this formula is that the Asset Conversion Rate decreases from 6 percent to 0 percent as the level of Available Income increases.

Each computed rate should be rounded to three decimal points. Because of rounding, if Available Income is \$125 or less, the Asset Conversion Rate will be 6 percent. If Available Income is \$14,876 or more, the Asset Conversion Rate will be 0 percent.

Table 6 gives the Asset Conversion Rates for different levels of Available Income. Note that these are just examples, and actual percentages must be calculated for each case.

When the level of Available Income is below the BLS upper budget level, multiplying the Asset Conversion Rate by the negative Discretionary Net Worth results in a negative Income Supplement. Adding this Income Supplement to Available Income decreases the amount of income that can be used for discretionary purposes. Thus, a portion of Available Income is protected so that assets can be accumulated.

o. If Available Income equals or exceeds the BLS upper budget level (\$15,000), it is assumed that there was enough income to accumulate assets, but that the opportunity to do so was not taken. In these cases, the Asset Conversion Rate is zero, which means that the negative Discretionary Net Worth is converted to an Income Supplement of zero. The result is that there is no offset against the family's Available Income.

Table 5

ASSET CONVERSION RATE

Discretionary Net Worth	Available Income	Rate (applied to Discretionary Net Worth)
\$0 or more	any amount	12%
less than \$0	\$0 or less	6%
less than \$0	\$1-\$14,999	$\frac{(15,000 - AI)}{15,000} \times 6\%$
less than \$0	\$15,000 or more	0%

Table 6

EXAMPLES OF ASSET CONVERSION RATES FOR NEGATIVE DISCRETIONARY NET WORTH

Available Income	Conversion Rate
\$125 or less	6.0%
2,500	5.0
5,000	4.0
7,500	3.0
10,000	2.0
12,500	1.0
14,876 or more	0.0

SUMMARY OF INCOME SUPPLEMENT

- Cash, Savings, and Checking Accounts
- + Home Equity
- + Other Real Estate and Investment Equity
- + Adjusted Net Worth of Business/Farm
- = Net Worth
- Home and Other Asset Protection Allowance
- = Discretionary Net Worth
- x Asset Conversion Rate
- = Income Supplement

c. Adjusted Available Income

The sum of the Income Supplement and the Available Income is called the Adjusted Available Income. This figure represents a family's total financial strength compared to other families with different levels of income, assets, and circumstances.

d. Total Parents' Contribution

After the amount of Adjusted Available Income has been determined, the appropriate Adjusted Available Income Rate is applied (see Table 7 on page 13) to determine the Total Parents' Contribution. This is the amount parents are expected to contribute toward their dependent children's postsecondary education. Table 7 shows how this amount is calculated for both undergraduate and graduate students. The table represents a progressive "taxation" schedule and works on the premise that, as the family's financial strength increases, the percentage of income needed for basic family maintenance decreases; therefore, more income will be available for discretionary purposes.

The table is designed so that the contributions expected for graduate students are slightly less than for undergraduates. This difference is based on the belief that parents who have supported their children through the undergraduate years should not have to continue to support them to the same degree through graduate school.

If the Adjusted Available Income is negative, the Total Parents' Contribution will be negative. However, a negative contribution is treated as zero in determining financial need. Negative contributions should be used only to rank the neediest students for the purpose of packaging awards. Federal student aid funds should not be used to cover a negative contribution, since--in terms of the formula--this would benefit the parents rather than help meet the educational costs of the student.

Table 7

UNDERGRADUATE STUDENT ADJUSTED AVAILABLE INCOME (AAI) TAXATION RATE

Adjusted Available Income	Total Parents' Contribution
\$-3,410 or less	\$.750
-3,409-- 6,800	22% of AAI
6,801-- 8,500	\$1,496 + 25% of AAI over \$6,800
8,501--10,200	1,921 + 29% of AAI over 8,500
10,201--11,900	2,414 + 34% of AAI over 10,200
11,901--13,600	2,992 + 40% of AAI over 11,900
13,601 or more	3,672 + 47% of AAI over 13,600

GRADUATE STUDENT ADJUSTED AVAILABLE INCOME (AAI) TAXATION RATE

Adjusted Available Income	Total Parents' Contribution
\$-3,410 or less	\$.750
-3,409-- 0	22% of AAI
1--6,800	18% of AAI
6,801--8,500	\$1,224 + 22% of AAI over \$ 6,800
8,501--10,200	1,598 + 26% of AAI over 8,500
10,201--11,900	2,040 + 32% of AAI over 10,200
11,901--13,600	2,584 + 39% of AAI over 11,900
13,601 or more	3,247 + 47% of AAI over 13,600

e. Parents' Contribution for the Student

To determine the parents' contribution for an individual student, the Total Parents' Contribution is divided by the number of family members who will be enrolled in postsecondary institutions at least half time in 1984-85 (excluding the parents themselves-- Item 23 minus Item 24). Of course, if there is only one family member enrolled, the Parents' Contribution for the Student is the same as the Total Parents' Contribution.

NOTE: The Parents' Contribution for the Student should be "rounded" to a \$10 increment, rounding up from \$5 and down from \$4. For example, \$44 would be rounded to \$40, but \$45 would be rounded to \$50.

**SUMMARY OF TOTAL PARENTS' CONTRIBUTION/PARENTS' CONTRIBUTION FOR THE STUDENT**

Available Income  
+ Income Supplement

= Adjusted Available Income

Contribution from Adjusted Available Income  
(using Table 7).

---

= Total Parents' Contribution

- Number of Family Members (Other than Parents)  
in Postsecondary Institutions At Least  
Half-Time

---

= Parents' Contribution for the Student

**2. Total Student Contribution**

Determining the Family Contribution for a student involves the concept of self-help. This means that the student is expected to contribute to the cost of his or her postsecondary education.

While the parents' contribution is derived from base year data (1983), the dependent student's contribution is, except for assets, derived from expected year data (1984-85). The components of the Total Student Contribution are listed below:

Summer Savings Expectation  
(Student only)

- + 35% of Student's/Spouse's Assets
  - + Estimated Social Security Educational Benefits  
(Student only)
  - + Estimated Veterans Educational Benefits  
(Student only)
  - + Estimated Other Untaxed Income  
(Student and spouse)
- 

= Total Student Contribution

**a. Summer Savings Expectation**

Built into the Uniform Methodology is the assumption that students will work during the summer months when they are not attending school. Students are expected to save a reasonable portion of these earnings and use them to help pay their educational costs. Therefore, a summer savings expectation has been established of \$700 for freshmen (first-year students) and \$900 for all other students, including graduate students.

NOTE: If the student does not report his or her year in college (Item 8), the student is assumed to be a freshman.

b. Contribution from Assets

Thirty-five percent of the student's and spouse's assets (Item 43) are included in the Total Student Contribution.

c. Estimated Social Security Educational Benefits

The student's estimated Social Security educational benefits for 1984-85 are also included. The amount of the benefits is determined by multiplying the amount of benefits received by the number of months the benefits are received (Item 55 multiplied by Item 56).

NOTE: If Item 56 is greater than 8, it should be set at 8 because this is the maximum number of months Social Security educational benefits will be available for 1984-85.

d. Estimated Veterans Educational Benefits

The student's veterans educational benefits for 1984-85 are also counted. The amount of benefits is determined by multiplying the amount of benefits received by the number of months the benefits are received (Item 58 multiplied by Item 59).

NOTE: The type of veterans educational benefits given in Item 57 will be either V.A. Contributory benefits (Veterans Education Assistance Program) or G.I. Bill and Dependents Educational Assistance benefits.

e. Estimated Other Untaxed Income

The student's and spouse's estimated other untaxed income (Item 60) is also included.

**FAMILY CONTRIBUTION FOR DEPENDENT STUDENT**

Parents' Contribution for the Student  
+ Total Student Contribution  
= Family Contribution for Dependent Student

NOTE: As with the Parents' Contribution for the Student, the Total Student Contribution should be rounded to a \$10 increment.

B. Independent Student

The Family Contribution for an independent student is the amount of funds considered available to the student to pay for direct and indirect postsecondary educational costs for the award year (a full 12 months).

The Student's Family Contribution is based on expected year data (summer of 1984 and school year of 1984-85). If the student is married, the Student's Family Contribution includes the spouse's financial resources.

This section discusses each step in calculating the Student's Family Contribution. This process can be summarized as follows:

Contribution from Taxable Income or Minimum Contribution from Taxable Income, whichever is greater
+ Contribution from Untaxed Income
+ <u>Income Supplement (derived from Assets)</u>
= Student's Family Contribution

1. Contribution from Taxable Income or Minimum Contribution from Taxable Income

A contribution from taxable income represents the amount of taxable income considered available to pay for educational costs. One of two amounts is used, whichever is greater: the Contribution from Taxable Income (CTI) or the Minimum Contribution from Taxable Income (MCTI).

a. Contribution from Taxable Income (CTI)

The Contribution from Taxable Income is derived by determining Available Taxable Income and then applying the appropriate Available Taxable Income Assessment Rate.

i. Available Taxable Income

Available Taxable Income equals Total Taxable Income minus Total Tax Allowances.

(A.) Total Taxable Income

Total Taxable Income is the sum of--

- o The student's expected taxable income for the three-month summer of 1984 (Item 51) plus the nine-month school year of 1984-85 (Item 52), and
- o The spouse's expected taxable income for the summer (Item 53) plus the school year (Item 54)

Since students' financial circumstances tend to fluctuate, expected income is used because it is generally the most accurate indicator of financial circumstances for the award year. Prior year income is appropriate when evaluating the more stable financial situation of parents who are not themselves enrolled in school (see pages 1 and 2).

(B.) Total Tax Allowances

From Total Taxable Income, the sum of the following tax allowances is subtracted:

o Estimated U.S. income tax

An estimated U.S. income tax allowance is determined by using Total Taxable Income, the number of exemptions claimed (Item 26), the student's marital status (Item 10), and the 1983 tax rate schedules from IRS.

The number of exemptions in Item 26 is multiplied by \$1,000. (If Item 26 is zero or blank, the student's household size [Item 22] is multiplied by \$1,000.) The total is then subtracted from Total Taxable Income, resulting in Net Taxable Income. Net Taxable Income corresponds to IRS Form 1040, line 37; Form 1040A, line 19; or Form 1040EZ, line 7. Net Taxable Income and the appropriate tax rate schedule (see Table 1 on page 18) are used to find the estimated U.S. income tax.

Schedule X is used for single (unmarried or separated) students claiming just one exemption. Schedule Z is used for those who are unmarried or separated but claim more than one exemption. These persons are considered heads of households. Schedule Y is used for married students, regardless of the number of exemptions.

NOTE: If "Marital Status" (Item 10) is blank and "Student's Household Size" (Item 22) is one, the student is assumed to be unmarried. If Item 10 is blank and Item 22 is greater than one, the student is assumed to be married.

Table 1  
1983 Tax Rate Schedules

The following 1983 tax rate schedules are from the 1983 IRS Form 1040.

Schedule X  
Single Taxpayers

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$2,300	--0--	
2,300	" 3,400	. 11% of amount over \$2,300	3,400
3,400	" 4,400	\$121 + 13%	4,400
4,400	" 8,500	251 + 15%	8,500
8,500	" 10,800	866 + 17%	10,800
10,800	" 12,900	1,257 + 19%	12,900
12,900	" 15,000	1,656 + 21%	15,000
15,000	" 18,200	2,097 + 24%	18,200
18,200	" 23,500	2,865 + 28%	23,500
23,500	" 28,800	4,349 + 32%	28,800
28,800	" 34,100	6,045 + 36%	34,100
34,100	" 41,500	7,953 + 40%	41,500
41,500	" 55,300	10,913 + 45%	55,300
55,300	and above	17,123 + 50%	55,300

Schedule Z  
Unmarried Heads of Household

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$2,300	--0--	
2,300	" 4,400	. 11% of amount over \$2,300	4,400
4,400	" 6,500	\$231 + 13%	6,500
6,500	" 8,700	504 + 15%	8,700
8,700	" 11,800	834 + 18%	11,800
11,800	" 15,000	1,392 + 19%	15,000
15,000	" 18,200	2,000 + 21%	18,200
18,200	" 23,500	2,672 + 25%	23,500
23,500	" 28,800	3,997 + 29%	28,800
28,800	" 34,100	5,534 + 34%	34,100
34,100	" 44,700	7,336 + 37%	44,700
44,700	" 60,600	11,258 + 44%	60,600
60,600	" 81,800	18,254 + 48%	81,800
81,800	and above	28,430 + 50%	81,800

Schedule Y  
Married Taxpayers

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$3,400	--0--	
3,400	" 5,500	. 11% of amount over \$3,400	5,500
5,500	" 7,600	\$231 + 13%	7,600
7,600	" 11,900	504 + 15%	11,900
11,900	" 16,000	1,149 + 17%	16,000
16,000	" 20,200	1,846 + 19%	20,200
20,200	" 24,600	2,644 + 23%	24,600
24,600	" 29,900	3,656 + 26%	29,900
29,900	" 35,200	5,034 + 30%	35,200
35,200	" 45,800	6,624 + 35%	45,800
45,800	" 60,000	10,334 + 40%	60,000
60,000	" 85,600	16,014 + 44%	85,600
85,600	" 109,400	27,278 + 48%	109,400
109,400	and above	38,702 + 50%	109,400

o Social Security (F.I.C.A.) taxes

This allowance--figured separately for the student and for the spouse--is 6.7 percent of the first \$35,700 of the expected taxable income of each, not to exceed \$2,392 for each.

o State and local income taxes

This allowance is a percentage of Total Taxable Income and approximates what a student and spouse pay in State and local income taxes (see Table 2). The standard percentages used vary by State and reflect the most recently available statistics for itemized deductions. Unlike the "State and Other Taxes" allowance for parents (see pages 2 and 3), this allowance does not include amounts paid in property, sales, and excise taxes; rather, it is based solely on income taxes.

NOTE: The State to be used is the State in the student's permanent street address (Item 69). If Item 69 is blank or invalid, the student's State of legal residence (Item 6) is used. If both items are blank or invalid, a zero percent rate should be used.

State	Percent of Total Taxable Income
AS, CM, FL, GU, NV, SD, TN, TT, TX, VI, WA, WY . . . . .	0%
CT, LA, NH . . . . .	1%
IL, IN, MS, ND, NM, PR . . . . .	2%
AL, AZ, CO, KS, MO, NE, NJ, OH, OK, WV . . . . .	3%
AK, AR, GA, IA, ID, KY, ME, MI, MT, PA, RI, SC, UT, VA . . . . .	4%
CA, HI, MA, NC, VT . . . . .	5%
DC, MD, OR, WI . . . . .	6%
DE, MN, NY . . . . .	7%
Blank or Invalid State . . . . .	0%

### SUMMARY OF AVAILABLE TAXABLE INCOME

Student's Expected Taxable Income  
(Summer and School Year)  
+ Spouse's Expected Taxable Income  
(Summer and School Year)

---

= Total Taxable Income

- Estimated U.S. Income Tax  
- Social Security Taxes  
- State and Local Income Taxes

---

= Available Taxable Income

#### ii. Available Taxable Income Assessment Rate

After the amount of Available Taxable Income has been determined, the appropriate Available Taxable Income Assessment Rate is applied (see Table 3 on page 21). That portion of a family's Available Taxable Income that is equal to or below the Bureau of Labor Statistics' moderate budget standard (adjusted for family size) is assessed at 70 percent. (Family size is Item 22 on the SAR.) That portion, if any, of Available Taxable Income that exceeds the moderate budget standard is assessed at 90 percent. The moderate budget standard is based on the Bureau of Labor Statistics' 1967 estimates of Consumption and Other Costs for a family of four living in an urban area. These figures have been increased for 1984-85 in accordance with changes in the rental substitution Consumer Price Index for all urban consumers (CPI-U-XI).

Table 3

AVAILABLE TAXABLE INCOME ASSESSMENT RATE

Family Size (including student)	Contribution from Taxable Income equals:
1 . . . . .	70% of first \$8,100 of ATI, 90% thereafter
2 . . . . .	70% of first \$10,800 of ATI, 90% thereafter
3 . . . . .	70% of first \$14,300 of ATI, 90% thereafter
4 . . . . .	70% of first \$17,000 of ATI, 90% thereafter
5 . . . . .	70% of first \$21,600 of ATI, 90% thereafter
6 or more . . . . .	70% of first \$25,600 of ATI, 90% thereafter

Applying the Assessment Rate to Available Taxable Income results in the Contribution from Taxable Income. If this amount is less than the MCTI (see below), the MCTI will be used.

b. Minimum Contribution from Taxable Income (MCTI)

Unlike the CTI, the Minimum Contribution from Taxable Income is not the result of a series of calculations, but instead is one of two amounts, depending on whether the student is married.

If a student is unmarried or separated, the MCTI is \$1,200, which represents a contribution of \$100 a month from a combination of part-time earnings during periods of enrollment and savings from full-time earnings during periods of non-enrollment.

This MCTI approximates the minimum amount of potential earnings during a 12-month period of enrollment and assumes that at least 70 percent of those earnings, after taxes, will be used to pay for postsecondary educational costs. The \$1,200 amount was determined as follows:

$$\begin{array}{r}
 \$3.35 \text{ per hour minimum wage} \\
 \times 10 \text{ average hours per week} \\
 \times 52 \text{ weeks} \\
 \hline
 \$1,742 \\
 \times .70 \\
 \hline
 \$1,219 \text{ (rounded to } \$1,200)
 \end{array}$$

If the student is married, the MCTI is \$5,400--\$1,200 from the student and \$4,200 from the spouse. The spouse's contribution is based on the assumption that he or she will work full-time (a minimum of 35 hours per week), earn at least the minimum wage, and contribute at least 70 percent of his or her earnings, after taxes, to the student's educational costs.

NOTE: The MCTI is a standard used in the calculation of the Student's Family Contribution. If the MCTI is inappropriate for an institution's student population, the institution may substitute a different standard, including zero. If, however, an institution uses a zero MCTI, the Contribution from Taxable Income (CTI) must be used. (See above).

In addition, an institution may make an individual adjustment to consider a student's spouse who is also a student. When both the student and spouse are in school, the spouse is not expected to contribute as much as if he or she were able to work full-time. Therefore, both spouse and student may contribute \$1,200, making their MCTI \$2,400.

#### SUMMARY OF TAXABLE INCOME CONTRIBUTION

Student's Expected Taxable Income (Summer and School Year)
+ Spouse's Expected Taxable Income (Summer and School Year)
<hr/>
= Total Taxable Income
- Estimated U.S. Income Tax
- Social Security Taxes
- State and Local Income Taxes
<hr/>
= Available Taxable Income
Assessed Portion of Available Taxable Income (Using Available Taxable Income Assessment Rate)
<hr/>
= Contribution from Taxable Income (CTI)
Minimum Contribution from Taxable Income (MCTI) is used if greater than CTI

## 2. Contribution from Untaxed Income

### a. Estimated Social Security Educational Benefits

The student's estimated Social Security educational benefits for 1984-85 are included in the Student's Family Contribution. The amount of these benefits is determined by multiplying the amount of benefits received by the number of months the benefits are received (Item 55 multiplied by Item 56).

NOTE: If Item 56 is greater than 8, it should be set at 8 because this is the maximum number of months Social Security educational benefits will be available for 1984-85.

### b. Estimated Veterans Educational Benefits

The student's veterans educational benefits for 1984-85 are also included. The amount of benefits is determined by multiplying the amount of benefits received by the number of months the benefits are received (Item 58 multiplied by Item 59).

NOTE: The type of veterans educational benefits given in Item 57 will be either V.A. Contributory benefits (Veterans Education Assistance Program) or G.I. Bill and Dependents Educational Assistance benefits.

### c. Estimated Other Untaxed Income

The student's and spouse's estimated other untaxed income (Item 60) is also included.

NOTE: For 1984-85, untaxed income includes the IRS deduction for a married couple when both work (IRS Form 1040, line 29; 1040A, line 12).

#### SUMMARY OF CONTRIBUTION FROM UNTAXED INCOME

• Estimated Social Security Educational Benefits (Student only)
+ Estimated Veterans Educational Benefits (Student only)
+ Estimated Other Untaxed Income (Student and spouse)
<hr/>
= Contribution from Untaxed Income

## 3. Income Supplement

To fully measure the student's financial strength, the student's and spouse's assets must be considered as well as their income. A substantial portion of assets is expected to be used for educational costs because it is assumed that postsecondary education is one of the most important investments a student can make. The portion of

assets used in the Student's Family Contribution determination is called the Income Supplement. The Income Supplement is derived by multiplying the student's Discretionary Net Worth by the appropriate Asset Taxation Rate.

a. Discretionary Net Worth

Discretionary Net Worth equals Net Worth minus the Asset Protection Allowance.

i. Net Worth

Net Worth is the sum of the following assets of the student and spouse:

- o Cash, savings, and checking accounts (Item 44)
- o Home equity (Item 45 minus Item 46)
- o Other real estate and investment equity (Item 47 minus Item 48)
- o Net worth of a business or farm (Item 49 minus Item 50), adjusted to protect the earning capacity of these assets (see Table 4)

Table 4

BUSINESS/FARM NET WORTH ADJUSTMENT

Net Worth	Adjusted Net Worth
Less than \$1 . . . . .	\$0
\$ 1--\$55,000 . . . . .	40% of Net Worth
\$ 55,001--\$165,000 . . . . .	\$22,000 + 50% of excess over \$55,000
\$165,001--\$275,000 . . . . .	\$77,000 + 60% of excess over \$165,000
\$275,001 or more . . . . .	\$143,000 + 100% of excess over \$275,000

ii. Asset Protection Allowance

From Net Worth, the Asset Protection Allowance is subtracted (see Table 5 on page 25) to determine Discretionary Net Worth. If the student is 25 or younger, the Asset

Protection Allowance is 0, which means the student's Net Worth and Discretionary Net Worth are the same. If the student is over 25, he or she receives an allowance based upon the one derived for parents (see page 7). The Asset Protection Allowance is an acknowledgment that older students may need to use at least part of their assets for non-educational purposes. Students with dependents (including a spouse) have a larger portion of assets protected than do single students.

Table 5  
ASSET PROTECTION ALLOWANCE

Student's Age*	Single Student	Student with Dependents
25 or under . . . . .	\$ 0	\$ 0
26 . . . . .	1,300	1,700
27 . . . . .	2,500	3,400
28 . . . . .	3,800	5,200
29 . . . . .	5,100	6,900
30 . . . . .	6,400	8,600
31 . . . . .	7,600	10,300
32 . . . . .	8,900	12,000
33 . . . . .	10,200	13,800
34 . . . . .	11,500	15,500
35 . . . . .	12,700	17,200
36 . . . . .	14,000	18,900
37 . . . . .	15,300	20,600
38 . . . . .	16,600	22,400
39 . . . . .	17,800	24,100
40 or over . . . . .	19,100	25,800

\*Age as of May 31, 1985

b. Asset Taxation Rate

After Discretionary Net Worth has been determined, it is multiplied by the appropriate Asset Taxation Rate to determine the student's Income Supplement. For students with children, a 12 percent rate is used. (See Item 11, "Number of Dependent Children.") For students without children, and for students who leave Item 11 blank, a 35-percent rate is used.

NOTE: If the resulting Income Supplement is a negative number, it is not used to offset or protect a portion of the student's income for the accumulation of assets, as is the case with parents' income (see page 9). Rather, the negative Income Supplement is changed to zero. A student's income is not protected for the purpose of accumulating assets because

it is believed that current income should be used to pay for postsecondary education, and assets can be accumulated after the education has been completed.

#### SUMMARY OF INCOME SUPPLEMENT

Cash, Savings, and Checking Accounts  
+ Home Equity  
+ Other Real Estate and Investment Equity  
+ Adjusted Net Worth of Business/Farm  
  
= Net Worth  
  
- Asset Protection Allowance  
  
= Discretionary Net Worth  
  
x Asset Taxation Rate  
  
= Income Supplement

#### STUDENT'S FAMILY CONTRIBUTION

Contribution from Taxable Income or Minimum  
Contribution from Taxable Income, whichever is greater  
+ Contribution from Untaxed Income  
+ Income Supplement  
  
= Student's Family Contribution

NOTE: The Student's Family Contribution should be "rounded" to a \$10 increment, rounding up from \$5 and down from \$4. For example, \$44 would be rounded to \$40, but \$45 would be rounded to \$50.

## II. Sample Case Studies

The sample case studies on the following pages show how the Family Contribution is calculated in various circumstances for both dependent and independent students. The information needed to calculate each FC is provided on samples of Part I, Side 2 of the Student Aid Report. Following each sample SAR is a worksheet showing how the FC was calculated for the imaginary student. Blank worksheets can be found in Section V, page 69.

NOTE: Except where otherwise noted in the worksheets, all amounts are rounded to the nearest dollar.

A. Dependent Student

**Case Study No. 1**

This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

<b>A. Student's Information</b>		<b>D. 1983 Income &amp; Expense Information of Parent (cont.)</b>	
1. STUDENT'S LAST NAME		36. OTHER UNTAXED INCOME	\$600
2. STUDENT'S FIRST NAME		37. MEDICAL/DENTAL EXPENSES	
3. STUDENT'S MIDDLE INITIAL		38. ELEM./JR. HIGH/SR. HIGH TUITION	
4. SOCIAL SECURITY NUMBER		39. EXPECTED 1984 INCOME	
5. DATE OF BIRTH (MM-DD-YY)		40. STUDENT/SPOUSE TAXABLE INCOME	
6. STATE OF LEGAL RESIDENCE		41. STUDENT/SPOUSE U.S. TAX PAID	
7. CITIZENSHIP STATUS		42. STUDENT/SPOUSE UNTAXED INCOME	
8. YEAR IN COLLEGE	1st	43. STUDENT/SPOUSE SAVINGS AND ASSETS	\$117
9. BACHELOR'S DEGREE BY 7-1-84?		<b>E. Asset Information of Parent</b>	
10. MARITAL STATUS		44. CASH AND SAVINGS	\$2,000
11. NUMBER OF DEPENDENT CHILDREN		45. HOME VALUE	\$60,000
12. VETERAN STATUS		46. HOME DEBT	\$40,000
<b>B. Student's Status</b>		47. OTHER REAL ESTATE/INVESTMENT VALUE	
13. LIVES WITH PARENTS 6 WEEKS IN 1983?		48. OTHER REAL ESTATE/INVESTMENT DEBT	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?		49. BUSINESS/FARM VALUE	\$150,000
15. PARENTS CLAIM AS EXEMPTION IN 1983?		50. BUSINESS/FARM DEBT	\$120,000
16. PARENTS CLAIM AS EXEMPTION IN 1984?		<b>F. Student's (&amp; Spouse's) Expected Income for 1984/1985</b>	
17. \$750 SUPPORT FROM PARENTS IN 1983?		51. STUDENT'S SUMMER INCOME	
18. \$750 SUPPORT FROM PARENTS IN 1984?		52. STUDENT'S SCHOOL YEAR INCOME	
<b>C. Household Information of Parent</b>		53. SPOUSE'S SUMMER INCOME	
19. PARENT'S MARITAL STATUS	MARRIED	54. SPOUSE'S SCHOOL YEAR INCOME	
20. PARENT'S STATE OF LEGAL RESIDENCE	IN	55. MONTHLY SOCIAL SECURITY BENEFITS	
21. AGE OF OLDER PARENT	52	56. SOCIAL SECURITY BENEFIT MONTHS	
22. PARENT'S HOUSEHOLD SIZE	3	57. TYPE OF VETERANS BENEFIT	
23. NUMBER IN COLLEGE	1	58. MONTHLY VETERANS BENEFITS	
24. NUMBER OF PARENTS IN COLLEGE	0	59. VETERANS BENEFIT MONTHS	
<b>D. 1983 Income &amp; Expense Information of Parent</b>		60. STUDENT/SPOUSE OTHER UNTAXED INCOME	
25. TAX FIGURES ARE		<b>G. Other Information and Signatures</b>	
26. EXEMPTIONS CLAIMED		61. COLLEGE NAME	
27. INCOME FROM FORM 1040/1040A/1040EZ	\$17,600	62. COLLEGE CITY AND STATE	
28. U.S. INCOME TAX PAID	\$1,612	63. DATA RELEASED TO STATE?	
29. STATE AND LOCAL TAX PAID		64. DATA RELEASED TO COLLEGE?	
30. IRA/KEOGH PAYMENTS		65. DATE SIGNED	
31. ITEMIZED DEDUCTIONS		66. SIGNED BY	
32. FATHER'S INCOME EARNED FROM WORK	\$12,600	67. STUDENT'S PERMANENT STREET ADDRESS	
33. MOTHER'S INCOME EARNED FROM WORK	\$6,000	ADDRESS (CONT.)	
34. SOCIAL SECURITY BENEFITS		68. STUDENT'S CITY	
35. AFDC/ADC		69. STUDENT'S STATE	
		70. STUDENT'S ZIP CODE	

**Student's Use**

STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE

I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one) \_\_\_\_\_ (name of institution)

I certify that I am not required to be registered with Selective Service because (check one)

I am female

I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)

I have not reached my 18th birthday

I was born before 1960

I am a permanent resident of the Trust Territory or the Northern Mariana Islands

I certify that I am registered with Selective Service.

Signature \_\_\_\_\_ Date \_\_\_\_\_

NOTICE: You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only**      001620032 BU 01      SAI: 00000

1. School Name \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar  
Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance  
Standard  (A-J) Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_

TERM-BASED INSTITUTIONS ONLY  
5a. Enrollment Status      Full  1/2  3/4  Other

CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY  
5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_  
5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled      Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments  
Jul  Aug  Sep  Oct  Nov  Dec   
Jan  Feb  Mar  Apr  May  Jun

# 1984-85 Family Contribution for Dependent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

## Parents' Contribution for the Student

See instructions (pp. 1-2)

Income		
<b>Tax Filers Only</b>	Income from Form 1040/1040A/1040EZ (Item 27)	17,600
<b>Non-Tax Filers Only</b>	Father's Income Earned from Work (Item 32)	_____
	Mother's Income Earned from Work (Item 33)	_____
	IRA/Keogh Payments (Item 30)	+ 0
	Social Security Benefits (Item 34)	+ 0
	AFDC/ADC (Item 35)	+ 0
	Other Untaxed Income (Item 36)	+ 600
	<b>Total Income</b> (If negative, enter zero)	= 18,200

Allowances		
	U.S. Income Tax Paid (Item 28)	1,612
	Social Security Taxes (6.7% of first \$35,700 of earnings for each working parent [Item 32 and/or Item 33], not to exceed \$2,392 for each)	+ 844
	State and Other Taxes (Table 1)	+ 402
	Medical/Dental Expenses (Item 37) (In excess of 3% of Total Income)	+ 910
	Employment Expense Allowance (Two working parents: 30 percent of the lesser of the earned incomes [Item 32 or Item 33], or \$1,900, whichever is less. One-parent families: 30 percent of earned income, or \$1,900, whichever is less)	+ 0
	Elem./Jr. High/Sr. High Tuition (Item 38) (In excess of 4% of Total Income, but not to exceed \$1,400)	+ 1,800
	Standard Maintenance Allowance (Table 2)	+ 0
	Standard Maintenance Allowance (Table 2)	+ 9,550
	<b>Total Allowances</b>	= 15,118

<b>Total Income</b>	18,200
<b>Total Allowances</b>	- 15,118
<b>Available Income</b> (May be a negative number)	= 3,082

Assets—Income Supplement		
	Cash and Savings (Item 44)	2,000
	Home Equity	
	Home Value (Item 45)	60,000
	Home Debt (Item 46)	- 46,000
	(If negative, enter zero)	= 20,000 + 20,000
	Other Real Estate/Investment Equity	
	Other Real Estate/Investment Value (Item 47)	_____
	Other Real Estate/Investment Debt (Item 48)	- _____
	(If negative, enter zero)	= _____ + 0
	Net Worth of Business/Farm	
	Business/Farm Value (Item 49)	150,000
	Business/Farm Debt (Item 50)	- 120,000
	(If negative, enter zero)	= 30,000
	Adjusted Net Worth of Business/Farm (Table 3)	→ + 12,000
	<b>Net Worth</b>	= 94,000
	Home and Other Asset Protection Allowance (Table 4)	- 36,400
	<b>Discretionary Net Worth</b> (May be a negative number)	= -2,400
	Asset Conversion Rate (Table 5) (Rounded to 3 decimal points)	× .048
	<b>Income Supplement</b> (May be a negative number)	= -115

Parental Contribution		
	<b>Available Income</b>	3,082
	<b>Income Supplement</b>	+ -115
	<b>Adjusted Available Income</b>	= 2,967

<b>Total Parents' Contribution</b> (Calculate using Table 7) (If negative, enter zero)	653
Number in College (Item 23 minus Item 24) ÷	1
<b>Parents' Contribution for the Student</b> (Rounded to \$10 increment)	= 650

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### Total Student Contribution

Summer Savings (\$700 for freshmen; \$900 for all other students)		700
Student/Spouse Savings and Assets (Item 43)	$\frac{117}{.35}$	
Contribution from Assets	$= 41$	+ -41
Estimated Social Security Educational Benefits for 1984-85		
Monthly Social Security Benefits (Item 55)		
Social Security Benefit Months (Item 56) (If greater than 8, enter 8)	$\times$	
	$=$	+ 0
Estimated Veterans Educational Benefits for 1984-85		
Monthly Veterans Benefits (Item 58)		
Veterans Benefit Months (Item 59)	$\times$	
	$=$	+ 0
Student/Spouse/Other Untaxed Income (Item 60)		+ 0
<b>Total Student Contribution</b> (Rounded to \$10 increment)	$=$	<b>740</b>

### Family Contribution for Dependent Student

Parents' Contribution for the Student	650
Total Student Contribution	+ 740
<b>Family Contribution</b>	<b>= 1,390</b>

**Case Study No. 2**

This section contains information from your application. Use the Information Review, Form (Part 2 of your SAR) to correct this information.

**A. Student's Information**

1. STUDENT'S LAST NAME	
2. STUDENT'S FIRST NAME	
3. STUDENT'S MIDDLE INITIAL	
4. SOCIAL SECURITY NUMBER	
5. DATE OF BIRTH (MM-DD-YY)	
6. STATE OF LEGAL RESIDENCE	
7. CITIZENSHIP STATUS	
8. YEAR IN COLLEGE	1st
9. BACHELOR'S DEGREE BY 7-1-84?	
10. MARITAL STATUS	
11. NUMBER OF DEPENDENT CHILDREN	
12. VETERAN STATUS	

**B. Student's Status**

13. LIVES WITH PARENTS 6 WEEKS IN 1983?	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?	
15. PARENTS CLAIM AS EXEMPTION IN 1983?	
16. PARENTS CLAIM AS EXEMPTION IN 1984?	
17. \$750 SUPPORT FROM PARENTS IN 1983?	
18. \$750 SUPPORT FROM PARENTS IN 1984?	

**C. Household Information of Parent**

19. PARENT'S MARITAL STATUS	MARRIED
20. PARENT'S STATE OF LEGAL RESIDENCE	NY
21. AGE OF OLDER PARENT	61
22. PARENT'S HOUSEHOLD SIZE	6
23. NUMBER IN COLLEGE	1
24. NUMBER OF PARENTS IN COLLEGE	0

**D. 1983 Income & Expense Information of Parent**

25. TAX FIGURES ARE	
26. EXEMPTIONS CLAIMED	
27. INCOME FROM FORM 1040/1040A/1040EZ	
28. U.S. INCOME TAX PAID	\$0
29. STATE AND LOCAL TAX PAID	
30. IRA/KEOGH PAYMENTS	
31. ITEMIZED DEDUCTIONS	
32. FATHER'S INCOME EARNED FROM WORK	\$0
33. MOTHER'S INCOME EARNED FROM WORK	\$3,375
34. SOCIAL SECURITY BENEFITS	
35. AFDC/ADC	

**D. 1983 Income & Expense Information of Parent (cont.)**

36. OTHER UNTAXED INCOME	
37. MEDICAL/DENTAL EXPENSES	
38. ELEM/JR. HIGH/SR. HIGH TUITION	
39. EXPECTED 1984 INCOME	
40. STUDENT/SPOUSE TAXABLE INCOME	
41. STUDENT/SPOUSE U.S. TAX PAID	
42. STUDENT/SPOUSE UNTAXED INCOME	
43. STUDENT/SPOUSE SAVINGS AND ASSETS	

**E. Asset Information of Parent**

44. CASH AND SAVINGS	\$162
45. HOME VALUE	
46. HOME DEBT	
47. OTHER REAL ESTATE/INVESTMENT VALUE	
48. OTHER REAL ESTATE/INVESTMENT DEBT	
49. BUSINESS/FARM VALUE	
50. BUSINESS/FARM DEBT	

**F. Student's (& Spouse's) Expected Income for 1984/1985**

51. STUDENT'S SUMMER INCOME	
52. STUDENT'S SCHOOL YEAR INCOME	
53. SPOUSE'S SUMMER INCOME	
54. SPOUSE'S SCHOOL YEAR INCOME	
55. MONTHLY SOCIAL SECURITY BENEFITS	
56. SOCIAL SECURITY BENEFIT MONTHS	
57. TYPE OF VETERANS BENEFIT	
58. MONTHLY VETERANS BENEFITS	
59. VETERANS BENEFIT MONTHS	
60. STUDENT/SPOUSE OTHER UNTAXED INCOME	

**G. Other Information and Signatures**

61. COLLEGE NAME	
62. COLLEGE CITY AND STATE	
63. DATA RELEASED TO STATE?	
64. DATA RELEASED TO COLLEGE?	
65. DATE SIGNED	
66. SIGNED BY	
67. STUDENT'S PERMANENT STREET ADDRESS	
ADDRESS (CONT.)	
68. STUDENT'S CITY	
69. STUDENT'S STATE	
70. STUDENT'S ZIP CODE	

**Student's Use**

STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE

I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one)

(Name of institution)

I certify that I am not required to be registered with Selective Service because (check one)

I am female

I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)

I have not reached my 18th birthday

I was born before 1960

I am a permanent resident of the Trust Territory or the Northern Mariana Islands

I certify that I am registered with Selective Service.

Signature \_\_\_\_\_ Date \_\_\_\_\_

NOTICE: You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only**      001620032 BU 01      SAI: 00000

1. School Name \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar

Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance

Standard  \_\_\_\_\_ (A-J) Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_

TERM-BASED INSTITUTIONS ONLY

5a. Enrollment Status Full  1/2  3/4  Other

CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY

5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_

5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled \_\_\_\_\_ Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments

Jul  Aug  Sep  Oct  Nov  Dec

Jan  Feb  Mar  Apr  May  Jun



# 1984-85 Family Contribution for Dependent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

## Parents' Contribution for the Student

Income		
<b>Tax Filers Only</b>	Income from Form 1040/1040A/1040EZ (Item 27)	0
<b>Non-Tax Filers Only</b>	Father's Income Earned from Work (Item 32)	0
	Mother's Income Earned from Work (Item 33)	+ 3,375 - 3,375 = 0
	IRA/Keogh Payments (Item 30)	+ 0
	Social Security Benefits (Item 34)	+ 0
	AFDC/ADG (Item 35)	+ 0
	Other Untaxed Income (Item 36)	+ 0
	<b>Total Income</b> (If negative, enter zero)	= <b>3,375</b>

Allowances		
	U.S. Income Tax Paid (Item 28)	0
	Social Security Taxes (6.7% of first \$35,700 of earnings for each working parent [Item 32 and/or Item 33], not to exceed \$2,392 for each)	+ 0
	State and Other Taxes (Table 1)	+ 226
	Medical/Dental Expenses (Item 37) (In excess of 3% of Total Income)	+ 473
	Employment Expense Allowance (Two working parents: 30 percent of the lesser of the earned incomes [Item 32 or Item 33], or \$1,900, whichever is less. One-parent families: 30 percent of earned income, or \$1,900, whichever is less)	+ 0
	Elem./Jr. High/Sr. High Tuition (Item 38) (In excess of 4% of Total Income, but not to exceed \$1,400)	+ 0
	Standard Maintenance Allowance (Table 2)	+ 16,270
	<b>Total Allowances</b>	= <b>16,969</b>

<b>Total Income</b>	3,375
<b>Total Allowances</b>	- 16,969
<b>Available Income</b> (May be a negative number)	= <b>-13,594</b>

Assets—Income Supplement		
	Cash and Savings (Item 44)	162
	Home Equity	
	Home Value (Item 45)	_____
	Home Debt (Item 46)	- _____
	(If negative, enter zero)	= _____ + 0
	Other Real Estate/Investment Equity	
	Other Real Estate/Investment Value (Item 47)	_____
	Other Real Estate/Investment Debt (Item 48)	- _____
	(If negative, enter zero)	= _____ + 0
	Net Worth of Business/Farm	
	Business/Farm Value (Item 49)	_____
	Business/Farm Debt (Item 50)	- _____
	(If negative, enter zero)	= _____
	Adjusted Net Worth of Business/Farm (Table 3)	→ + 0
	<b>Net Worth</b>	= <b>162</b>
	Home and Other Asset Protection Allowance (Table 4)	- 49,800
	<b>Discretionary Net Worth</b> (May be a negative number)	= <b>-49,638</b>
	Asset Conversion Rate (Table 5) (Rounded to 3 decimal points)	× .06
	<b>Income Supplement</b> (May be a negative number)	= <b>-2,978</b>

Parental Contribution		
	<b>Available Income</b>	-13,594
	<b>Income Supplement</b>	+ 2,978
	<b>Adjusted Available Income</b>	= <b>-10,616</b>

<b>Total Parents' Contribution</b> (Calculate using Table 7) (If negative, enter zero)	0
Number in College (Item 23 minus Item 24)	÷ 1
<b>Parents' Contribution for the Student</b> (Rounded to \$10 increment)	= <b>0</b>

See instructions (pp. 1-2)

### Total Student Contribution

Summer Savings (\$700 for freshmen; \$900 for all other students)		700
Student/Spouse Savings and Assets (Item 43)	<u>          </u> × <u>      </u> .35	
Contribution from Assets	= <u>          </u> +	0
Estimated Social Security Educational Benefits for 1984-85		
Monthly Social Security Benefits (Item 55)	<u>          </u>	
Social Security Benefit Months (Item 56) (If greater than 8, enter 8)	× <u>      </u>	
	* = <u>          </u> +	0
Estimated Veterans Educational Benefits for 1984-85		
Monthly Veterans Benefits (Item 58)	<u>          </u>	
Veterans Benefit Months (Item 59)	× <u>      </u>	
	= <u>          </u> +	0
Student/Spouse Other Untaxed Income (Item 60)	+ <u>      </u>	0
<b>Total Student Contribution</b> (Rounded to \$10 increment)	= <u>      </u>	<b>700</b>

### Family Contribution for Dependent Student

Parents' Contribution for the Student		0
Total Student Contribution	+ <u>      </u>	700
<b>Family Contribution</b>	= <u>      </u>	<b>700</b>

# Case Study No. 3

**BEST COPY AVAILABLE**

This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

### A. Student's Information

1. STUDENT'S LAST NAME	
2. STUDENT'S FIRST NAME	
3. STUDENT'S MIDDLE INITIAL	
4. SOCIAL SECURITY NUMBER	
5. DATE OF BIRTH (MM-DD-YY)	
6. STATE OF LEGAL RESIDENCE	
7. CITIZENSHIP STATUS	
8. YEAR IN COLLEGE	2nd
9. BACHELOR'S DEGREE BY 7-1-84 ?	
10. MARITAL STATUS	
11. NUMBER OF DEPENDENT CHILDREN	
12. VETERAN STATUS	

### B. Student's Status

13. LIVES WITH PARENTS 6 WEEKS IN 1983?	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?	
15. PARENTS CLAIM AS EXEMPTION IN 1983?	
16. PARENTS CLAIM AS EXEMPTION IN 1984?	
17. \$750 SUPPORT FROM PARENTS IN 1983?	
18. \$750 SUPPORT FROM PARENTS IN 1984?	

### C. Household Information of Parent

19. PARENT'S MARITAL STATUS	MARRIED
20. PARENT'S STATE OF LEGAL RESIDENCE	PA
21. AGE OF OLDER PARENT	48
22. PARENT'S HOUSEHOLD SIZE	5
23. NUMBER IN COLLEGE	2
24. NUMBER OF PARENTS IN COLLEGE	0

### D. 1983 Income & Expense Information of Parent

25. TAX FIGURES ARE	
26. EXEMPTIONS CLAIMED	
27. INCOME FROM FORM 1040/1040A/1040EZ	\$40,765
28. U.S. INCOME TAX PAID	\$6,825
29. STATE AND LOCAL TAX PAID	
30. IRA/KEOGH PAYMENTS	\$2,000
31. ITEMIZED DEDUCTIONS	
32. FATHER'S INCOME EARNED FROM WORK	\$31,000
33. MOTHER'S INCOME EARNED FROM WORK	\$11,000
34. SOCIAL SECURITY BENEFITS	
35. AFDC/ADC	

### D. 1983 Income & Expense Information of Parent (cont.)

36. OTHER UNTAXED INCOME	\$1,100
37. MEDICAL/DENTAL EXPENSES	
38. ELEM./JR. HIGH/SR. HIGH TUITION	
39. EXPECTED 1984 INCOME	
40. STUDENT/SPOUSE TAXABLE INCOME	
41. STUDENT/SPOUSE U.S. TAX PAID	
42. STUDENT/SPOUSE UNTAXED INCOME	
43. STUDENT/SPOUSE SAVINGS AND ASSETS	\$450

### E. Asset Information of Parent

44. CASH AND SAVINGS	\$5,000
45. HOME VALUE	\$125,000
46. HOME DEBT	\$70,000
47. OTHER REAL ESTATE/INVESTMENT VALUE	
48. OTHER REAL ESTATE/INVESTMENT DEBT	
49. BUSINESS/FARM VALUE	
50. BUSINESS/FARM DEBT	

### F. Student's (& Spouse's) Expected Income for 1984/1985

51. STUDENT'S SUMMER INCOME	
52. STUDENT'S SCHOOL YEAR INCOME	
53. SPOUSE'S SUMMER INCOME	
54. SPOUSE'S SCHOOL YEAR INCOME	
55. MONTHLY SOCIAL SECURITY BENEFITS	
56. SOCIAL SECURITY BENEFIT MONTHS	
57. TYPE OF VETERANS BENEFIT	
58. MONTHLY VETERANS BENEFITS	
59. VETERANS BENEFIT MONTHS	
60. STUDENT/SPOUSE OTHER UNTAXED INCOME	

### G. Other Information and Signatures

61. COLLEGE NAME	
62. COLLEGE CITY AND STATE	
63. DATA RELEASED TO STATE?	
64. DATA RELEASED TO COLLEGE?	
65. DATE SIGNED	
66. SIGNED BY	
67. STUDENT'S PERMANENT STREET ADDRESS	
ADDRESS (CONT.)	
68. STUDENT'S CITY	
69. STUDENT'S STATE	
70. STUDENT'S ZIP CODE	

### Student's Use

**STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE**  
I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one) \_\_\_\_\_ (name of institution)

I certify that I am not required to be registered with Selective Service because (check one)  
 I am female  
 I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)  
 I have not reached my 18th birthday  
 I was born before 1980  
 I am a permanent resident of the Trust Territory or the Northern Mariana Islands

I certify that I am registered with Selective Service.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTICE** You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

### School Use Only

001620032 BU 01

SAI: 00000

1. School Name \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar  
Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance  
Standard  \_\_\_\_\_ (A-J) Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_

**TERM-BASED INSTITUTIONS ONLY**  
5a. Enrollment Status Full  1/2  3/4  Other

**CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY**  
5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_  
5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments  
Jul  Aug  Sep  Oct  Nov  Dec   
Jan  Feb  Mar  Apr  May  Jun



# 1984-85 Family Contribution for Dependent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

## Parents' Contribution for the Student

See instructions (pp. 1-2)

Income		
<b>Tax Filers Only</b>	Income from Form 1040/1040A/1040EZ (Item 27)	40,765
<b>Non-Tax Filers Only</b>	Father's Income Earned from Work (Item 32)	
	Mother's Income Earned from Work (Item 33)	
	IRA/Keogh Payments (Item 30)	+ 2,000
	Social Security Benefits (Item 34)	+ 0
	AFDC/ADC (Item 35)	+ 0
	Other Untaxed Income (Item 36)	+ 1,100
	<b>Total Income</b> (If negative, enter zero)	= 43,865

Allowances		
	U.S. Income Tax Paid (Item 28)	6,825
	Social Security Taxes (6.7% of first \$35,700 of earnings for each working parent [Item 32 and/or Item 33], not to exceed \$2,392 for each)	+ 2,077
	State and Other Taxes (Table 1)	+ 737
	Medical/Dental Expenses (Item 37) (In excess of 3% of Total Income)	+ 3,509
	Employment Expense Allowance (Two working parents: 30 percent of the lesser of the earned incomes [Item 32 or Item 33], or \$1,900, whichever is less. One-parent families: 30 percent of earned income, or \$1,900, whichever is less)	+ 0
	Elem./Jr. High/Sr. High Tuition (Item 38) (In excess of 4% of Total Income, but not to exceed \$1,400)	+ 1,900
	Standard Maintenance Allowance (Table 2)	+ 0
	Standard Maintenance Allowance (Table 2)	+ 12,600
	<b>Total Allowances</b>	= 27,648

<b>Total Income</b>	43,865
<b>Total Allowances</b>	- 27,648
<b>Available Income</b> (May be a negative number)	= 16,217

Assets—Income Supplement		
	Cash and Savings (Item 44)	5,000
	Home Equity	
	Home Value (Item 45)	125,000
	Home Debt (Item 46)	- 70,000
	(If negative, enter zero)	= 55,000
	Other Real Estate/Investment Equity	
	Other Real Estate/Investment Value (Item 47)	
	Other Real Estate/Investment Debt (Item 48)	
	(If negative, enter zero)	= 0
	Net Worth of Business/Farm	
	Business/Farm Value (Item 49)	
	Business/Farm Debt (Item 50)	
	(If negative, enter zero)	=
	Adjusted Net Worth of Business/Farm (Table 3)	→ + 0
	<b>Net Worth</b>	= 60,000
	Home and Other Asset Protection Allowance (Table 4)	- 32,300
	<b>Discretionary Net Worth</b> (May be a negative number)	= 27,700
	Asset Conversion Rate (Table 5) (Rounded to 3 decimal points)	× 0.12
	<b>Income Supplement</b> (May be a negative number)	= 3,324

Parental Contribution		
	<b>Available Income</b>	16,217
	<b>Income Supplement</b>	+ 3,324
	<b>Adjusted Available Income</b>	= 19,541

<b>Total Parents' Contribution</b> (Calculate using Table 7) (If negative, enter zero)	6,464
Number in College (Item 23 minus Item 24)	+ 2
<b>Parents' Contribution for the Student</b> (Rounded to \$10 increment)	= 3,230

### Total Student Contribution

Summer Savings (\\$700 for freshmen; \\$900 for all other students)		900
Student/Spouse Savings and Assets (Item 43)	$\frac{450}{.35}$	
Contribution from Assets	$= 158$	+ 158
Estimated Social Security Educational Benefits for 1984-85		
Monthly Social Security Benefits (Item 55)	_____	
Social Security Benefit Months (Item 56) (If greater than 8, enter 8)	$\times$ _____	
	$=$ _____	+ 0
Estimated Veterans Educational Benefits for 1984-85		
Monthly Veterans Benefits (Item 58)	_____	
Veterans Benefit Months (Item 59)	$\times$ _____	
	$=$ _____	+ 0
Student/Spouse Other Untaxed Income (Item 60)		+ 0
<b>Total Student Contribution</b> (Rounded to \$10 increment)	<b>=</b>	<b>1,060</b>

### Family Contribution for Dependent Student

Parents' Contribution for the Student		3,230
Total Student Contribution	+	1,060
Family Contribution	=	4,290

**B. Independent Student**

Case Study No. 1

This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

<b>A. Student's Information</b>		<b>D. 1983 Income &amp; Expense Information of Student (cont.)</b>	
1. STUDENT'S LAST NAME		36. OTHER UNTAXED INCOME	
2. STUDENT'S FIRST NAME		37. MEDICAL/DENTAL EXPENSES	
3. STUDENT'S MIDDLE INITIAL		38. ELEM/JR. HIGH/SR. HIGH TUITION	
4. SOCIAL SECURITY NUMBER		39. EXPECTED 1984 INCOME	
5. DATE OF BIRTH (MM-DD-YY)	01-10-62	40. STUDENT/SPOUSE TAXABLE INCOME	
6. STATE OF LEGAL RESIDENCE		41. STUDENT/SPOUSE U.S. TAX PAID	
7. CITIZENSHIP STATUS		42. STUDENT/SPOUSE UNTAXED INCOME	
8. YEAR IN COLLEGE		43. STUDENT/SPOUSE SAVINGS AND ASSETS	
9. BACHELOR'S DEGREE BY 7-1-84?		<b>E. Asset Information of Student</b>	
10. MARITAL STATUS	UNMARRIED	44. CASH AND SAVINGS	\$200
11. NUMBER OF DEPENDENT CHILDREN	0	45. HOME VALUE	
12. VETERAN STATUS		46. HOME DEBT	
<b>B. Student's Status</b>		47. OTHER REAL ESTATE/INVESTMENT VALUE	
13. LIVES WITH PARENTS 6 WEEKS IN 1983?		48. OTHER REAL ESTATE/INVESTMENT DEBT	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?		49. BUSINESS/FARM VALUE	
15. PARENTS CLAIM AS EXEMPTION IN 1983?		50. BUSINESS/FARM DEBT	
16. PARENTS CLAIM AS EXEMPTION IN 1984?		<b>F. Student's (&amp; Spouse's) Expected Income for 1984/1985</b>	
17. \$750 SUPPORT FROM PARENTS IN 1983?		51. STUDENT'S SUMMER INCOME	\$2,400
18. \$750 SUPPORT FROM PARENTS IN 1984?		52. STUDENT'S SCHOOL YEAR INCOME	\$1,300
<b>C. Household Information of Student</b>		53. SPOUSE'S SUMMER INCOME	
19. PARENT'S MARITAL STATUS		54. SPOUSE'S SCHOOL YEAR INCOME	
20. PARENT'S STATE OF LEGAL RESIDENCE		55. MONTHLY SOCIAL SECURITY BENEFITS	
21. AGE OF OLDER PARENT		56. SOCIAL SECURITY BENEFIT MONTHS	
22. STUDENT'S HOUSEHOLD SIZE	1	57. TYPE OF VETERANS BENEFIT	
23. NUMBER IN COLLEGE	1	58. MONTHLY VETERANS BENEFITS	
24. NUMBER OF PARENTS IN COLLEGE		59. VETERANS BENEFIT MONTHS	
<b>D. 1983 Income &amp; Expense Information of Student</b>		60. STUDENT/SPOUSE OTHER UNTAXED INCOME	
25. TAX FIGURES ARE		<b>G. Other Information and Signatures</b>	
26. EXEMPTIONS CLAIMED	1	61. COLLEGE NAME	
27. INCOME FROM FORM 1040/1040A/1040EZ		62. COLLEGE CITY AND STATE	
28. U.S. INCOME TAX PAID		63. DATA RELEASED TO STATE?	
29. STATE AND LOCAL TAX PAID		64. DATA RELEASED TO COLLEGE?	
30. IRA/KEOGH PAYMENTS		65. DATE SIGNED	
31. ITEMIZED DEDUCTIONS		66. SIGNED BY	
32. STUDENT'S INCOME EARNED FROM WORK		67. STUDENT'S PERMANENT STREET ADDRESS	
33. SPOUSE'S INCOME EARNED FROM WORK		ADDRESS (CONT.)	
34. SOCIAL SECURITY BENEFITS		68. STUDENT'S CITY	
35. AFDC/ADC		69. STUDENT'S STATE	RI
		70. STUDENT'S ZIP CODE	

**Student's Use**

STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE

I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one) \_\_\_\_\_ (name of institution)

\_\_\_\_\_ I certify that I am not required to be registered with Selective Service because (check one)

\_\_\_\_\_ I am female

\_\_\_\_\_ I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)

\_\_\_\_\_ I have not reached my 18th birthday

\_\_\_\_\_ I was born before 1960

\_\_\_\_\_ I am a permanent resident of the Trust Territory or the Northern Mariana Islands

\_\_\_\_\_ I certify that I am registered with Selective Service.

Signature \_\_\_\_\_ Date \_\_\_\_\_

NOTICE: You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only** 001620032 BU 01 SAI: 00000

1. School Name \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar  
Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance  
Standard  \_\_\_\_\_ (A-J) Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_

TERM-BASED INSTITUTIONS ONLY  
5a. Enrollment Status Full  1/2  3/4  Other

CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY  
5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_  
5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments Jul  Aug  Sep  Oct  Nov  Dec   
Jan  Feb  Mar  Apr  May  Jun



# 1984-85 Family Contribution for Independent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

Taxable Income	
Student's Summer Income (Item 51)	2,400
Student's School Year Income (Item 52)	+ 1,300
Spouse's Summer Income (Item 53)	+ 0
Spouse's School Year Income (Item 54)	+ 0
<b>Total Taxable Income</b>	<b>= 3,700</b>

Allowances	
Estimated U.S. Income Tax (See instructions on page 17)	44
Social Security Taxes (6.7% of first \$35,700 of expected taxable income for the student and for the spouse, not to exceed \$2,992 for each)	+ 248
	+ 0
State and Local Income Taxes (Table 2)	+ 148
<b>Total Tax Allowances</b>	<b>= 440</b>

<b>Total Taxable Income</b>	<b>3,700</b>
<b>Total Tax Allowances</b>	<b>- 440</b>
<b>Available Taxable Income</b> (If negative, enter zero)	<b>= 3,260</b>

<b>Contribution From Taxable Income (CTI)</b> (Calculate using Table 3)	<b>3,282</b>
<b>Minimum Contribution from Taxable Income (MCTI)</b> (Single student — \$1,200) (Married student — \$5,400)	<b>1,200</b>

Untaxed Income	
Estimated Social Security Educational Benefits for 1984-85	
Monthly Social Security Benefits (Item 55)	_____
Social Security Benefit Months (Item 56) (If greater than 8, enter 8)	× _____
	= _____
	0
Estimated Veterans Educational Benefits for 1984-85	
Monthly Veterans Benefits (Item 58)	_____
Veterans Benefit Months (Item 59)	× _____
	= _____
	0
Student/Spouse Other Untaxed Income (Item 60)	+ 0
<b>Contribution from Untaxed Income</b>	<b>= 0</b>

Assets—Income Supplement	
Cash and Savings (Item 44)	200
Home Equity	
Home Value (Item 45)	_____
Home Debt (Item 46)	- _____
(If negative, enter zero)	= _____
	0
Other Real Estate/Investment Equity	
Other Real Estate/Investment Value (Item 47)	_____
Other Real Estate/Investment Debt (Item 48)	- _____
(If negative, enter zero)	= _____
	0
Net Worth of Business/Farm	
Business/Farm Value (Item 49)	_____
Business/Farm Debt (Item 50)	- _____
(If negative, enter zero)	= _____
Adjusted Net Worth of Business/Farm (Table 4)	→ + 0

<b>Net Worth</b>	<b>= 200</b>
Asset Protection Allowance (Table 5)	- 0
<b>Discretionary Net Worth</b>	<b>= 200</b>
Asset Taxation Rate (12% for students with children, 35% for students without children)	x.12 x.35
<b>Income Supplement</b> (If negative, enter zero)	<b>= 70</b>

Family Contribution for Independent Student	
Contribution from Taxable Income or Minimum Contribution from Taxable Income, whichever is greater	3,282
Contribution from Untaxed Income	+ 0
Income Supplement	+ 70
<b>Family Contribution</b> (Rounded to \$10 increment)	<b>= 3,350</b>

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**Case Study No. 2**

This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

<b>A. Student's Information</b>		<b>D. 1983 Income &amp; Expense Information of Student (cont.)</b>	
1. STUDENT'S LAST NAME		36. OTHER UNTAXED INCOME	
2. STUDENT'S FIRST NAME		37. MEDICAL/DENTAL EXPENSES	
3. STUDENT'S MIDDLE INITIAL		38. ELEN/JR. HIGH/SR. HIGH TUITION	
4. SOCIAL SECURITY NUMBER		39. EXPECTED 1984 INCOME	
5. DATE OF BIRTH (MM-DD-YY)	01-18-57	40. STUDENT/SPOUSE TAXABLE INCOME	
6. STATE OF LEGAL RESIDENCE		41. STUDENT/SPOUSE U.S. TAX PAID	
7. CITIZENSHIP STATUS		42. STUDENT/SPOUSE UNTAXED INCOME	
8. YEAR IN COLLEGE		43. STUDENT/SPOUSE SAVINGS AND ASSETS	
9. BACHELOR'S DEGREE BY 7-1-84 ?		<b>E. Asset Information of Student</b>	
10. MARITAL STATUS	UNMARRIED	44. CASH AND SAVINGS	\$400
11. NUMBER OF DEPENDENT CHILDREN	0	45. HOME VALUE	
12. VETERAN STATUS	YES	46. HOME DEBT	
<b>B. Student's Status</b>		47. OTHER REAL ESTATE/INVESTMENT VALUE	
13. LIVES WITH PARENTS 6 WEEKS IN 1983?		48. OTHER REAL ESTATE/INVESTMENT DEBT	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?		49. BUSINESS/FARM VALUE	
15. PARENTS CLAIM AS EXEMPTION IN 1983?		50. BUSINESS/FARM DEBT	
16. PARENTS CLAIM AS EXEMPTION IN 1984?		<b>F. Student's (&amp; Spouse's) Expected Income for 1984/1985</b>	
17. \$750 SUPPORT FROM PARENTS IN 1983?		51. STUDENT'S SUMMER INCOME	\$1,920
18. \$750 SUPPORT FROM PARENTS IN 1984?		52. STUDENT'S SCHOOL YEAR INCOME	\$1,440
<b>C. Household Information of Student</b>		53. SPOUSE'S SUMMER INCOME	
19. PARENT'S MARITAL STATUS		54. SPOUSE'S SCHOOL YEAR INCOME	
20. PARENT'S STATE OF LEGAL RESIDENCE		55. MONTHLY SOCIAL SECURITY BENEFITS	
21. AGE OF OLDER PARENT		56. SOCIAL SECURITY BENEFIT MONTHS	
22. STUDENT'S HOUSEHOLD SIZE	1	57. TYPE OF VETERANS BENEFIT	GI BILL
23. NUMBER IN COLLEGE	1	58. MONTHLY VETERANS BENEFITS	\$342
24. NUMBER OF PARENTS IN COLLEGE		59. VETERANS BENEFIT MONTHS	9
<b>D. 1983 Income &amp; Expense Information of Student</b>		60. STUDENT/SPOUSE OTHER UNTAXED INCOME	
25. TAX FIGURES ARE		<b>G. Other Information and Signatures</b>	
26. EXEMPTIONS CLAIMED	1	61. COLLEGE NAME	
27. INCOME FROM FORM 1040/1040A/1040EZ		62. COLLEGE CITY AND STATE	
28. U.S. INCOME TAX PAID		63. DATA RELEASED TO STATE?	
29. STATE AND LOCAL TAX PAID		64. DATA RELEASED TO COLLEGE?	
30. IRA/KEOGH PAYMENTS		65. DATE SIGNED	
31. ITEMIZED DEDUCTIONS		66. SIGNED BY	
32. STUDENT'S INCOME EARNED FROM WORK		67. STUDENT'S PERMANENT STREET ADDRESS	
33. SPOUSE'S INCOME EARNED FROM WORK		ADDRESS (CONT.)	
34. SOCIAL SECURITY BENEFITS		68. STUDENT'S CITY	NC
35. AFDC/ADC		69. STUDENT'S STATE	
		70. STUDENT'S ZIP CODE	

**Student's Use**

STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE  
I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one) \_\_\_\_\_ (name of institution)

\_\_\_\_ I certify that I am not required to be registered with Selective Service because (check one)  
 \_\_\_\_ I am female  
 \_\_\_\_ I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)  
 \_\_\_\_ I have not reached my 18th birthday  
 \_\_\_\_ I was born before 1980  
 \_\_\_\_ I am a permanent resident of the Trust Territory or the Northern Mariana Islands

\_\_\_\_ I certify that I am registered with Selective Service.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

NOTICE You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only**      001620032 BU 01      SAI: 00000

1. School Name \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar  
 Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance  
 Standard  \_\_\_\_\_ (A-J)      Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_  
 TERM-BASED INSTITUTIONS ONLY  
 5a. Enrollment Status      Full  1/2  3/4  Other

CLOCK-HOUR AND NON-STANDARD TERM  
 CREDIT HOUR INSTITUTIONS ONLY  
 5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_  
 5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled      Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments      Jul  Aug  Sep  Oct  Nov  Dec   
 Jan  Feb  Mar  Apr  May  Jun

# 1984-85 Family Contribution for Independent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

Taxable Income	
Student's Summer Income (Item 51)	1,920
Student's School Year Income (Item 52)	+ 1,440
Spouse's Summer Income (Item 53)	+ 0
Spouse's School Year Income (Item 54)	+ 0
<b>Total Taxable Income</b>	<b>= 3,360</b>

Allowances	
Estimated U.S. Income Tax (See instructions on page 17)	7
Social Security Taxes (6.7% of first \$35,700 of expected taxable income for the student and for the spouse, not to exceed \$2,392 for each)	+ 225
State and Local Income Taxes (Table 2)	+ 168
<b>Total Tax Allowances</b>	<b>= 400</b>

<b>Total Taxable Income</b>	<b>3,360</b>
<b>Total Tax Allowances</b>	<b>- 400</b>
<b>Available Taxable Income</b> (If negative, enter zero)	<b>= 2,960</b>

<b>Contribution From Taxable Income (CTI)</b> (Calculate using Table 2)	<b>2,078</b>
<b>Minimum Contribution from Taxable Income (MCTI)</b> (Single student -- \$1,200) (Married student -- \$5,400)	<b>1,200</b>

Untaxed Income	
Estimated Social Security Educational Benefits for 1984-85	
Monthly Social Security Benefits (Item 55)	
Social Security Benefit Months (Item 56) (If greater than 8, enter 8) ×	
=	0
Estimated Veterans Educational Benefits for 1984-85	
Monthly Veterans Benefits (Item 58)	342
Veterans Benefit Months (Item 59)	9
×	3,078
=	3,078
Student/Spouse Other Untaxed Income (Item 60)	+ 0
<b>Contribution from Untaxed Income</b>	<b>= 3,078</b>

Assets—Income Supplement	
Cash and Savings (Item 44)	400
Home Equity	
Home Value (Item 45)	
Home Debt (Item 46)	-
(If negative, enter zero)	= 0
Other Real Estate/Investment Equity	
Other Real Estate/Investment Value (Item 47)	
Other Real Estate/Investment Debt (Item 48)	-
(If negative, enter zero)	= 0
Net Worth of Business/Farm	
Business/Farm Value (Item 49)	
Business/Farm Debt (Item 50)	-
(If negative, enter zero)	=
Adjusted Net Worth of Business/Farm (Table 4)	→ + 0

<b>Net Worth</b>	<b>= 400</b>
Asset Protection Allowance (Table 5)	- 3,800
<b>Discretionary Net Worth</b>	<b>= -3,400</b>
Asset Taxation Rate (12% for students with children, 35% for students without children)	x.12 x.35
<b>Income Supplement</b> (If negative, enter zero)	<b>0</b>

Family Contribution for Independent Student	
Contribution from Taxable Income	2,078
Contribution from Untaxed Income	3,078
Income Supplement	+ 0
<b>Family Contribution</b> (Rounded to \$10 increment)	<b>= 5,150</b>

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**Case Study No. 3**

This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

**A. Student's Information**

1. STUDENT'S LAST NAME	
2. STUDENT'S FIRST NAME	
3. STUDENT'S MIDDLE INITIAL	
4. SOCIAL SECURITY NUMBER	
5. DATE OF BIRTH (MM-DD-YY)	01-06-55
6. STATE OF LEGAL RESIDENCE	
7. CITIZENSHIP STATUS	
8. YEAR IN COLLEGE	
9. BACHELOR'S DEGREE BY 7-1-84 ?	
10. MARITAL STATUS	MARRIED
11. NUMBER OF DEPENDENT CHILDREN	1
12. VETERAN STATUS	

**B. Student's Status**

13. LIVES WITH PARENTS 6 WEEKS IN 1983?	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?	
15. PARENTS CLAIM AS EXEMPTION IN 1983?	
16. PARENTS CLAIM AS EXEMPTION IN 1984?	
17. \$750 SUPPORT FROM PARENTS IN 1983?	
18. \$750 SUPPORT FROM PARENTS IN 1984?	

**C. Household Information of Student**

19. PARENT'S MARITAL STATUS	
20. PARENT'S STATE OF LEGAL RESIDENCE	
21. AGE OF OLDER PARENT	
22. STUDENT'S HOUSEHOLD SIZE	3
23. NUMBER IN COLLEGE	1
24. NUMBER OF PARENTS IN COLLEGE	

**D. 1983 Income & Expense Information of Student**

25. TAX FIGURES ARE	
26. EXEMPTIONS CLAIMED	3
27. INCOME FROM FORM 1040/1040A/1040EZ	
28. U.S. INCOME TAX PAID	
29. STATE AND LOCAL TAX PAID	
30. IRA/KEOGH PAYMENTS	
31. ITEMIZED DEDUCTIONS	
32. STUDENT'S INCOME EARNED FROM WORK	
33. SPOUSE'S INCOME EARNED FROM WORK	
34. SOCIAL SECURITY BENEFITS	
35. AFDC/ADC	

**D. 1983 Income & Expense Information of Student (cont.)**

36. OTHER UNTAXED INCOME	
37. MEDICAL/DENTAL EXPENSES	
38. ELEM/JR. HIGH/SR. HIGH TUITION	
39. EXPECTED 1984 INCOME	
40. STUDENT/SPOUSE TAXABLE INCOME	
41. STUDENT/SPOUSE U.S. TAX PAID	
42. STUDENT/SPOUSE UNTAXED INCOME	
43. STUDENT/SPOUSE SAVINGS AND ASSETS	

**E. Asset Information of Student**

44. CASH AND SAVINGS	\$800
45. HOME VALUE	\$75,000
46. HOME DEBT	\$60,000
47. OTHER REAL ESTATE/INVESTMENT VALUE	
48. OTHER REAL ESTATE/INVESTMENT DEBT	
49. BUSINESS/FARM VALUE	
50. BUSINESS/FARM DEBT	

**F. Student's (& Spouse's) Expected Income for 1984/1985**

51. STUDENT'S SUMMER INCOME	\$3,200
52. STUDENT'S SCHOOL YEAR INCOME	\$1,920
53. SPOUSE'S SUMMER INCOME	\$5,250
54. SPOUSE'S SCHOOL YEAR INCOME	\$15,750
55. MONTHLY SOCIAL SECURITY BENEFITS	
56. SOCIAL SECURITY BENEFIT MONTHS	
57. TYPE OF VETERANS BENEFIT	
58. MONTHLY VETERANS BENEFITS	
59. VETERANS BENEFIT MONTHS	
60. STUDENT/SPOUSE OTHER UNTAXED INCOME	\$512

**G. Other Information and Signatures**

61. COLLEGE NAME	
62. COLLEGE CITY AND STATE	
63. DATA RELEASED TO STATE?	
64. DATA RELEASED TO COLLEGE?	
65. DATE SIGNED	
66. SIGNED BY	
67. STUDENT'S PERMANENT STREET ADDRESS	
ADDRESS (CONT.)	
68. STUDENT'S CITY	
69. STUDENT'S STATE	OH
70. STUDENT'S ZIP CODE	

**Student's Use**

**STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE**

I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at

\_\_\_\_\_ and (check one)  
(name of institution)

- I certify that I am not required to be registered with Selective Service because (check one)
  - I am female
  - I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)
  - I have not reached my 18th birthday
  - I was born before 1980
  - I am a permanent resident of the Trust Territory or the Northern Mariana Islands

I certify that I am registered with Selective Service.  
Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTICE:** You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only**

001620032 BU 01

SAI: 00000

1. School Name	_____
City	_____ State _____
2. Academic Calendar	Credit Hour <input type="checkbox"/> Quarter <input type="checkbox"/> Semester <input type="checkbox"/> Trimester <input type="checkbox"/> Clock Hour <input type="checkbox"/>
3. Cost of Attendance	Standard <input type="checkbox"/> (A-J) Individual <input type="checkbox"/> \$ _____
4. Validation Status Code	_____
TERM-BASED INSTITUTIONS ONLY	5a. Enrollment Status Full <input type="checkbox"/> 1/2 <input type="checkbox"/> 3/4 <input type="checkbox"/> Other <input type="checkbox"/>
CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY	5b. No. of Hours expected to complete in all payment periods in this award period _____
	5c. No. of Hours in academic year (for program) _____
6. Expected Disbursement	\$ _____
7. Date Enrolled	Month _____ Day _____ Year _____
8. Months of Subsequent Payments	Jul <input type="checkbox"/> Aug <input type="checkbox"/> Sep <input type="checkbox"/> Oct <input type="checkbox"/> Nov <input type="checkbox"/> Dec <input type="checkbox"/> Jan <input type="checkbox"/> Feb <input type="checkbox"/> Mar <input type="checkbox"/> Apr <input type="checkbox"/> May <input type="checkbox"/> Jun <input type="checkbox"/>

# 1984-85 Family Contribution for Independent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

Taxable Income	
Student's Summer Income (Item 51)	3,200
Student's School Year Income (Item 52)	+ 1,920
Spouse's Summer Income (Item 53)	+ 5,250
Spouse's School Year Income (Item 54)	+ 15,750
<b>Total Taxable Income</b>	<b>= 26,120</b>

Allowances	
Estimated U.S. Income Tax (See instructions on page 17)	3,316
Social Security Taxes (6.7% of first \$35,700 of expected taxable income for the student and for the spouse, not to exceed \$2,392 for each)	+ 343
State and Local Income Taxes (Table 2)	+ 1,407
	+ 784
<b>Total Tax Allowances</b>	<b>= 5,850</b>

<b>Total Taxable Income</b>	<b>= 26,120</b>
<b>Total Tax Allowances</b>	<b>- 5,850</b>
<b>Available Taxable Income</b> (If negative, enter zero)	<b>= 20,270</b>

<b>Contribution From Taxable Income (CTI)</b> (Calculate using Table 3)	<b>= 15,383</b>
<b>Minimum Contribution from Taxable Income (MCTI)</b> (Single student — \$1,200) (Married student — \$5,400)	<b>= 5,400</b>

Untaxed Income	
Estimated Social Security Educational Benefits for 1984-85	
Monthly Social Security Benefits (Item 55)	
Social Security Benefit Months (Item 56)	
(If greater than 8, enter 8)	×
	=
	0
Estimated Veterans Educational Benefits for 1984-85	
Monthly Veterans Benefits (Item 58)	
Veterans Benefit Months (Item 59)	
	×
	=
	0
Student/Spouse Other Untaxed Income (Item 60)	+ 512
<b>Contribution from Untaxed Income</b>	<b>= 512</b>

Assets—Income Supplement	
Cash and Savings (Item 44)	800
Home Equity	
Home Value (Item 45)	75,000
Home Debt (Item 46)	- 60,000
(If negative, enter zero)	= 15,000
Other Real Estate/Investment Equity	
Other Real Estate/Investment Value (Item 47)	
Other Real Estate/Investment Debt (Item 48)	-
(If negative, enter zero)	= 0
Net Worth of Business/Farm	
Business/Farm Value (Item 49)	
Business/Farm Debt (Item 50)	-
(If negative, enter zero)	=
Adjusted Net Worth of Business/Farm (Table 4)	0

<b>Net Worth</b>	<b>= 15,800</b>
Asset Protection Allowance (Table 5)	- 8,600
<b>Discretionary Net Worth</b>	<b>= 7,200</b>
Asset Taxation Rate (12% for students with children, 35% for students without children)	x.12 x.35
<b>Income Supplement</b> (If negative, enter zero)	<b>= 864</b>

Family Contribution for Independent Student	
Contribution from Taxable Income or Minimum Contribution from Taxable Income, whichever is greater	15,383
Contribution from Untaxed Income	+ 512
Income Supplement	+ 864
<b>Family Contribution</b> (Rounded to \$10 increment)	<b>= 16,760</b>

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# Case Study No. 4

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This section contains information from your application. Use the Information Review Form (Part 2 of your SAR) to correct this information.

<b>A. Student's Information</b>		<b>D. 1983 Income &amp; Expense Information of Student (cont.)</b>	
1. STUDENT'S LAST NAME		36. OTHER UNTAXED INCOME	
2. STUDENT'S FIRST NAME		37. MEDICAL/DENTAL EXPENSES	
3. STUDENT'S MIDDLE INITIAL		38. ELEM./JR. HIGH/SR. HIGH TUITION	
4. SOCIAL SECURITY NUMBER		39. EXPECTED 1984 INCOME	
5. DATE OF BIRTH (MM-DD-YY)	01-03-60	40. STUDENT/SPOUSE TAXABLE INCOME	
6. STATE OF LEGAL RESIDENCE		41. STUDENT/SPOUSE U.S. TAX PAID	
7. CITIZENSHIP STATUS		42. STUDENT/SPOUSE UNTAXED INCOME	
8. YEAR IN COLLEGE		43. STUDENT/SPOUSE SAVINGS AND ASSETS	
9. BACHELOR'S DEGREE BY 7-1-84?		<b>E. Asset Information of Student</b>	
10. MARITAL STATUS	MARRIED	44. CASH AND SAVINGS	\$375
11. NUMBER OF DEPENDENT CHILDREN	0	45. HOME VALUE	
12. VETERAN STATUS		46. HOME DEBT	
<b>B. Student's Status</b>		47. OTHER REAL ESTATE/INVESTMENT VALUE	
13. LIVES WITH PARENTS 6 WEEKS IN 1983?		48. OTHER REAL ESTATE/INVESTMENT DEBT	
14. LIVES WITH PARENTS 6 WEEKS IN 1984?		49. BUSINESS/FARM VALUE	
15. PARENTS CLAIM AS EXEMPTION IN 1983?		50. BUSINESS/FARM DEBT	
16. PARENTS CLAIM AS EXEMPTION IN 1984?		<b>F. Student's (&amp; Spouse's) Expected Income for 1984/1985</b>	
17. \$750 SUPPORT FROM PARENTS IN 1983?		51. STUDENT'S SUMMER INCOME	\$938
18. \$750 SUPPORT FROM PARENTS IN 1984?		52. STUDENT'S SCHOOL YEAR INCOME	\$1,072
<b>C. Household Information of Student</b>		53. SPOUSE'S SUMMER INCOME	\$1,340
19. PARENT'S MARITAL STATUS		54. SPOUSE'S SCHOOL YEAR INCOME	\$0
20. PARENT'S STATE OF LEGAL RESIDENCE		55. MONTHLY SOCIAL SECURITY BENEFITS	
21. AGE OF OLDER PARENT		56. SOCIAL SECURITY BENEFIT MONTHS	
22. STUDENT'S HOUSEHOLD SIZE	2	57. TYPE OF VETERANS BENEFIT	
23. NUMBER IN COLLEGE	2	58. MONTHLY VETERANS BENEFITS	
24. NUMBER OF PARENTS IN COLLEGE		59. VETERANS BENEFIT MONTHS	
<b>D. 1983 Income &amp; Expense Information of Student</b>		60. STUDENT/SPOUSE OTHER UNTAXED INCOME	
25. TAX FIGURES ARE		<b>G. Other Information and Signatures</b>	
26. EXEMPTIONS CLAIMED	2	61. COLLEGE NAME	
27. INCOME FROM FORM 1040/1040A/1040EZ		62. COLLEGE CITY AND STATE	
28. U.S. INCOME TAX PAID		63. DATA RELEASED TO STATE?	
29. STATE AND LOCAL TAX PAID		64. DATA RELEASED TO COLLEGE?	
30. IRA/KEOGH PAYMENTS		65. DATE SIGNED	
31. ITEMIZED DEDUCTIONS		66. SIGNED BY	
32. STUDENT'S INCOME EARNED FROM WORK		67. STUDENT'S PERMANENT STREET ADDRESS	
33. SPOUSE'S INCOME EARNED FROM WORK		ADDRESS (CONT.)	
34. SOCIAL SECURITY BENEFITS		68. STUDENT'S CITY	
35. AFDC/ADC		69. STUDENT'S STATE	AR
		70. STUDENT'S ZIP CODE	

**Student's Use**

STATEMENT OF EDUCATIONAL PURPOSE/REGISTRATION COMPLIANCE  
I certify that I will use any money I receive under the federally assisted loans, grants, or work study program only for expenses related to my study at \_\_\_\_\_ and (check one) \_\_\_\_\_ (name of institution)

I certify that I am not required to be registered with Selective Service because (check one)  
 I am female  
 I am in the armed services on active duty (Note: Members of the Reserves and National Guard are not considered on active duty.)  
 I have not reached my 18th birthday  
 I was born before 1980  
 I am a permanent resident of the Trust Territory or the Northern Mariana Islands

I certify that I am registered with Selective Service.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

NOTICE You will not receive Title IV financial aid unless you complete this statement and, if required, give proof that you are registered to your school.

**School Use Only** 001620032 BU 01 SAI: 00000

1. School Name \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_

2. Academic Calendar  
Credit Hour  Quarter  Semester  Trimester  Clock Hour

3. Cost of Attendance  
Standard  (A-J) Individual  \$ \_\_\_\_\_

4. Validation Status Code \_\_\_\_\_

TERM-BASED INSTITUTIONS ONLY  
5a. Enrollment Status Full  1/2  3/4  Other

CLOCK-HOUR AND NON-STANDARD TERM CREDIT HOUR INSTITUTIONS ONLY  
5b. No. of Hours expected to complete in all payment periods in this award period \_\_\_\_\_  
5c. No. of Hours in academic year (for program) \_\_\_\_\_

6. Expected Disbursement \$ \_\_\_\_\_

7. Date Enrolled Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

8. Months of Subsequent Payments Jul  Aug  Sep  Oct  Nov  Dec   
Jan  Feb  Mar  Apr  May  Jun



# 1984-85 Family Contribution for Independent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

Taxable Income	
Student's Summer Income (Item 51)	938
Student's School Year Income (Item 52)	+ 4,072
Spouse's Summer Income (Item 53)	+ 1,340
Spouse's School Year Income (Item 54)	+ 0
<b>Total Taxable Income</b>	<b>= 3,350</b>

Allowances	
Estimated U.S. Income Tax (See instructions on page 17)	0
Social Security Taxes (6.7% of first \$35,700 of expected taxable income for the student and for the spouse, not to exceed \$2,392 for each)	+ 135
	+ 90
State and Local Income Taxes (Table 2)	+ 134
<b>Total Tax Allowances</b>	<b>= 359</b>

<b>Total Taxable Income</b>	<b>3,350</b>
<b>Total Tax Allowances</b>	<b>- 359</b>
<b>Available Taxable Income</b> (If negative, enter zero)	<b>= 2,991</b>

<b>Contribution From Taxable Income (CTI)</b> (Calculate using Table 3)	<b>2,091</b>
<b>Minimum Contribution from Taxable Income (MCTI)</b> (Single student — \$1,200) (Married student — \$3,400)	<b>5,400*</b>

Untaxed Income	
Estimated Social Security Educational Benefits for 1984-85	
Monthly Social Security Benefits (Item 55)	_____
Social Security Benefit Months (Item 56)	_____
(If greater than 8, enter 8)	× _____
	= _____
	0
Estimated Veterans Educational Benefits for 1984-85	
Monthly Veterans Benefits (Item 58)	_____
Veterans Benefit Months (Item 59)	_____
	× _____
	= _____
	0
Student/Spouse Other Untaxed Income (Item 60)	+ 0
<b>Contribution from Untaxed Income</b>	<b>= 0</b>

Assets—Income Supplement	
Cash and Savings (Item 44)	375
Home Equity -	
Home Value (Item 45)	_____
Home Debt (Item 46)	- _____
(If negative, enter zero)	= _____ + 0
Other Real Estate/Investment Equity	
Other Real Estate/Investment Value (Item 47)	_____
Other Real Estate/Investment Debt (Item 48)	- _____
(If negative, enter zero)	= _____ + 0
Net Worth of Business/Farm	
Business/Farm Value (Item 49)	_____
Business/Farm Debt (Item 50)	- _____
(If negative, enter zero)	= _____
Adjusted Net Worth of Business/Farm (Table 4)	→ + 0

<b>Net Worth</b>	<b>= 375</b>
Asset Protection Allowance (Table 5)	- 0
<b>Discretionary Net Worth</b>	<b>= 375</b>
Asset Taxation Rate (12% for students with children, 35% for students without children)	x.12 x.35
<b>Income Supplement</b> (If negative, enter zero)	

Family Contribution for Independent Student	
Contribution from Taxable Income	2,091
Contribution from Untaxed Income	0
Income Supplement	375
<b>Family Contribution</b> (Rounded to \$10 increment)	<b>= 5,530*</b>

\* CAN BE ADJUSTED TO REFLECT AN MCTI OF \$2,400 (SPOUSE IS ALSO A STUDENT)

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III. Family Contribution Tables  
A. Dependent Student

**Table 1**  
**ALLOWANCE FOR STATE AND OTHER TAXES**

State	Percent of Total Income	
	\$0-\$14,999	\$15,000 or more
AS, CM, GU, LA, TT, TX, VI, WY. . . . .	4%	3%
FL, NV, TN. . . . .	5%	4%
AL, IN, MS, ND, OK, PR, SD, WA, WV. . . . .	6%	5%
AZ, AR, IL, KS, MD, NH, NM, OH. . . . .	7%	6%
AK, CT, GA, ID, IA, KY, MT, NC, NE, SC. . . . .	8%	7%
CA, CO, DE, ME, NJ, OR, PA, UT, VA. . . . .	9%	8%
DC, HI, MI, VT. . . . .	10%	9%
MO, MN, RI, WI. . . . .	11%	10%
MA. . . . .	12%	11%
NY. . . . .	14%	13%
Blank or Invalid State. . . . .	4%	3%

**Table 3**  
**BUSINESS/FARM NET WORTH ADJUSTMENT**

Net Worth	Adjusted Net Worth
Less than \$1 . . . . .	\$0
\$ 1--\$ 55,000 . . . . .	40% of Net Worth
\$ 55,001--\$165,000 . . . . .	\$22,000 + 50% of excess over \$55,000
\$165,001--\$275,000 . . . . .	\$77,000 + 60% of excess over \$165,000
\$275,001 or more . . . . .	\$143,000 + 100% of excess over \$275,000

**Table 2**  
**STANDARD MAINTENANCE ALLOWANCE 1984-85**

Family Size (including applicant)	Allowance*
2 . . . . .	\$ 7,660
3 . . . . .	9,550
4 . . . . .	11,790
5 . . . . .	13,910
6 . . . . .	16,270
each additional . . . . .	1,840

\*Deduct \$1,310 for each family member (other than the applicant and parents) who will be enrolled at least half-time in postsecondary education in 1984-85.

**Table 4**  
**HOME AND OTHER ASSET PROTECTION ALLOWANCE**

Age of Older Parent	Allowance for Couple	Allowance--Single
40 or under. . . . .	\$25,800	\$19,100
41 . . . . .	26,500	19,400
42 . . . . .	27,300	19,900
43 . . . . .	28,000	20,400
44 . . . . .	28,800	20,800
45 . . . . .	29,600	21,300
46 . . . . .	30,400	21,900
47 . . . . .	31,200	22,400
48 . . . . .	32,300	23,000
49 . . . . .	33,100	23,600
50 . . . . .	34,300	24,200
51 . . . . .	35,200	24,800
52 . . . . .	36,400	25,600
53 . . . . .	37,600	26,200
54 . . . . .	38,900	27,000
55 . . . . .	40,200	27,700
56 . . . . .	41,600	28,600
57 . . . . .	43,200	29,300
58 . . . . .	44,700	30,200
59 . . . . .	46,400	31,100
60 . . . . .	47,900	32,000
61 . . . . .	49,800	33,000
62 . . . . .	51,700	34,000
63 . . . . .	53,700	35,100
64 . . . . .	56,100	36,300
65 or over . . . . .	58,200	37,400



Table 5

ASSET CONVERSION RATE

Discretionary Net Worth	Available Income	Rate (applied to Discretionary Net Worth)
\$0 or more . . . . .	any amount . . . . .	12%
less than \$0 . . . . .	\$0 or less . . . . .	6%
less than \$0 . . . . .	\$1-\$14,999 . . . . .	$\frac{(15,000 - AI)}{15,000} \times 6\%$
less than \$0 . . . . .	\$15,000 or more . . . . .	0%

Table 6

EXAMPLES OF ASSET CONVERSION RATES FOR NEGATIVE DISCRETIONARY NET WORTH

Available Income	Conversion Rate
\$125 or less	6.0%
2,500	5.0
5,000	4.0
7,500	3.0
10,000	2.0
12,500	1.0
14,876 or more	0.0

Table 7

UNDERGRADUATE STUDENT ADJUSTED AVAILABLE INCOME (AAI) TAXATION RATE

Adjusted Available Income	Total Parents' Contribution
\$-3,410 or less . . . . .	\$.750
-3,409-- 6,800 . . . . .	22% of AAI
6,801-- 8,500 . . . . .	\$1,496 + 25% of AAI over \$6,800
8,501--10,200 . . . . .	1,921 + 29% of AAI over 8,500
10,201--11,900 . . . . .	2,414 + 34% of AAI over 10,200
11,901--13,600 . . . . .	2,992 + 40% of AAI over 11,900
13,601 or more . . . . .	3,672 + 47% of AAI over 13,600

GRADUATE STUDENT ADJUSTED AVAILABLE INCOME (AAI) TAXATION RATE

Adjusted Available Income	Total Parents' Contribution
\$-3,410 or less . . . . .	\$.750
-3,409-- 0 . . . . .	22% of AAI
1--6,800 . . . . .	18% of AAI
6,801--8,500 . . . . .	\$1,224 + 22% of AAI over \$ 6,800
8,501--10,200 . . . . .	1,598 + 26% of AAI over 8,500
10,201--11,900 . . . . .	2,040 + 32% of AAI over 10,200
11,901--13,600 . . . . .	2,584 + 39% of AAI over 11,900
13,601 or more . . . . .	3,247 + 47% of AAI over 13,600

B. Independent Student

Table 1  
1983 Tax Rate Schedules

The following 1983 tax rate schedules are from the 1983 IRS Form 1040.

Schedule X  
Single Taxpayers

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$2,300	--0--	
2,300	" 3,400	. . . . 11% of amount over \$2,300	3,400
3,400	" 4,400	\$121 + 13%	4,400
4,400	" 8,500	251 + 15%	8,500
8,500	" 10,800	866 + 17%	10,800
10,800	" 12,900	1,257 + 19%	12,900
12,900	" 15,000	1,656 + 21%	15,000
15,000	" 18,200	2,097 + 24%	18,200
18,200	" 23,500	2,865 + 28%	23,500
23,500	" 28,800	4,349 + 32%	28,800
28,800	" 34,100	6,045 + 36%	34,100
34,100	" 41,500	7,953 + 40%	41,500
41,500	" 55,300	10,913 + 45%	55,300
55,300	and above	17,123 + 50%	55,300

Schedule Z  
Unmarried Heads of Household

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$2,300	--0--	
2,300	" 4,400	. . . . 11% of amount over \$2,300	4,400
4,400	" 6,500	\$231 + 13%	6,500
6,500	" 8,700	504 + 15%	8,700
8,700	" 11,800	834 + 18%	11,800
11,800	" 15,000	1,392 + 19%	15,000
15,000	" 18,200	2,000 + 21%	18,200
18,200	" 23,500	2,672 + 25%	23,500
23,500	" 28,800	3,997 + 29%	28,800
28,800	" 34,100	5,534 + 34%	34,100
34,100	" 44,700	7,336 + 37%	44,700
44,700	" 60,600	11,258 + 44%	60,600
60,600	" 81,800	18,254 + 48%	81,800
81,800	and above	28,430 + 50%	81,800

Schedule Y  
Married Taxpayers

Net Taxable Income		Estimated U.S. Income Tax	
\$0	to \$3,400	--0--	
3,400	" 5,500	. . . . 11% of amount over \$3,400	5,500
5,500	" 7,600	\$231 + 13%	7,600
7,600	" 11,900	504 + 15%	11,900
11,900	" 16,000	1,149 + 17%	16,000
16,000	" 20,200	1,846 + 19%	20,200
20,200	" 24,600	2,644 + 23%	24,600
24,600	" 29,900	3,656 + 26%	29,900
29,900	" 35,200	5,034 + 30%	35,200
35,200	" 45,800	6,624 + 35%	45,800
45,800	" 60,000	10,334 + 40%	60,000
60,000	" 85,600	16,014 + 44%	85,600
85,600	" 109,400	27,278 + 48%	109,400
109,400	and above	38,702 + 50%	109,400

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**Table 2**  
**STATE AND LOCAL INCOME TAX ALLOWANCE**

State	Percent of Total Taxable Income
AS, CM, FL, GU, NV, SD, TN, TT, TX, VI, WA, WY . . . . .	0%
CT, LA, NH . . . . .	1%
IL, IN, MS, ND, NM, PR . . . . .	2%
AL, AZ, CO, KS, MO, NE, NJ, OH, OK, WV . . . . .	3%
AK, AR, GA, IA, ID, KY, ME, MI, MT, PA, RI, SC, UT, VA . . . . .	4%
CA, HI, MA, NC, VT . . . . .	5%
DC, MD, OR, WI . . . . .	6%
DE, MN, NY . . . . .	7%
Blank or Invalid State . . . . .	0%

**Table 3**  
**AVAILABLE TAXABLE INCOME ASSESSMENT RATE**

Family Size (including student)	Contribution from Taxable Income equals:
1 . . . . .	70% of first \$8,100 of ATI, 90% thereafter
2 . . . . .	70% of first \$10,800 of ATI, 90% thereafter
3 . . . . .	70% of first \$14,300 of ATI, 90% thereafter
4 . . . . .	70% of first \$17,000 of ATI, 90% thereafter
5 . . . . .	70% of first \$21,600 of ATI, 90% thereafter
6 or more . . . . .	70% of first \$25,600 of ATI, 90% thereafter

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Table 4

BUSINESS/FARM NET WORTH ADJUSTMENT

Net Worth	Adjusted Net Worth
Less than \$1 . . . . .	\$0
\$ 1--\$55,000 . . . . .	40% of Net Worth
\$ 55,001--\$165,000 . . . . .	\$22,000 + 50% of excess over \$55,000
\$165,001--\$275,000 . . . . .	\$77,000 + 60% of excess over \$165,000
\$275,001 or more . . . . .	\$143,000 + 100% of excess over \$275,000

Table 5

ASSET PROTECTION ALLOWANCE

Student's Age*	Single Student	Student with Dependents
25 or under . . . . .	\$ 0	\$ 0
26 . . . . .	1,300	1,700
27 . . . . .	2,500	3,400
28 . . . . .	3,800	5,200
29 . . . . .	5,100	6,900
30 . . . . .	6,400	8,600
31 . . . . .	7,600	10,300
32 . . . . .	8,900	12,000
33 . . . . .	10,200	13,800
34 . . . . .	11,500	15,500
35 . . . . .	12,700	17,200
36 . . . . .	14,000	18,900
37 . . . . .	15,300	20,600
38 . . . . .	16,600	22,400
39 . . . . .	17,800	24,100
40 or over . . . . .	19,100	25,800

\*Age as of May 31, 1985

IV. Student Aid Report (SAR)/Application for Federal Student Aid (AFSA)  
Line Item References

Student's Information

	<u>SAR</u>	<u>AFSA</u>
Student's name	Items 1-3	Item 1
Student's permanent mailing address	Items 67-70	Item 2
Student's Social Security Number	Item 4	Item 3
Student's date of birth	Item 5	Item 4
Student's state of legal residence	Item 6	Item 5
Citizenship status	Item 7	Item 6
Year in college	Item 8	Item 7
Bachelor degree recipient	Item 9	Item 8
Student's marital status	Item 10	Item 9
Number of student's dependent children	Item 11	Item 10
Veteran status	Item 12	Item 11

Student's Status

Student's dependency status	Items 13-18	Items 12-14
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Household Information

Parent's marital status	Item 19	Item 15
Parent's state of legal residence	Item 20	Item 16
Age of older parent	Item 21	Item 17
Parent's household size	Item 22	Item 18
Number in college (total)	Item 23	Item 19a
Number in college (parents)	Item 24	Item 19b
Student's household size	Item 22	Item 20
Number in college	Item 23	Item 21

Income and Expense Information

Source of tax figures	Item 25	Item 22
Exemptions claimed	Item 26	Item 23
Income from 1983 tax form (Adjusted Gross Income)	Item 27	Item 24
U.S. income tax paid	Item 28	Item 25a
State and local taxes paid	Item 29	Item 25b
IRA/Keogh payments	Item 30	Item 26
Itemized deductions	Item 31	Item 27
Father's income from work	Item 32	Item 28a
Mother's income from work	Item 33	Item 28b
1983 untaxed income and benefits (parents)	Items 34-36	Item 29a-c
Medical/dental expenses	Item 37	Item 30
Elem./jr. high/high school tuition	Item 38	Item 31
Expected 1984 income and benefits (parents)	Item 39	Item 32
Student/spouse 1983 taxable income	Item 40	Item 33a
Student/spouse 1983 U.S. income tax paid	Item 41	Item 33b
Student/spouse 1983 untaxed income and benefits	Item 42	Item 33c
Student/spouse savings and assets	Item 43	Item 34

Asset Information

Cash/savings  
Home value/home debt  
Other real estate or investment  
value/debt  
Business or farm value/debt

SAR

Item 44  
Items 45-46  
  
Items 47-48  
Items 49-50

AFSA

Item 35  
Item 36  
  
Item 37  
Item 38

Student's (& Spouse's) Expected  
Income and Benefits

Student's 1984 taxable income  
Spouse's 1984 taxable income  
Student's Social Security educational  
benefits  
Student's veterans educational benefits  
Student/spouse 1984 other untaxed income

Items 51-52  
Items 53-54  
  
Items 55-56  
Items 57-59  
Item 60

Item 39a  
Item 39b  
  
Item 40  
Item 41  
Item 42

Other Information and Signatures

College name and address  
Data release  
Certification/signature

Items 61-62  
Items 63-64  
Items 65-66

Item 43  
Item 44  
Item 45

V. Worksheets

# 1984-85 Family Contribution for Dependent Student

(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

## Parents' Contribution for the Student

See instructions (pp. 1-2)

Income		
<b>Tax Filers Only</b>	Income from Form 1040/1040A/1040EZ (Item 27)	
<b>Non-Tax Filers Only</b>	Father's Income Earned from Work (Item 32)	
	Mother's Income Earned from Work (Item 33)	+
	IRA/Keogh Payments (Item 30)	+
	Social Security Benefits (Item 34)	+
	AFDC/ADC (Item 35)	+
	Other Untaxed Income (Item 36)	+
	<b>Total Income</b> (If negative, enter zero)	=

Allowances		
	U.S. Income Tax Paid (Item 28)	
	Social Security Taxes (6.7% of first \$35,700 of earnings for each working parent [Item 32 and/or Item 33], not to exceed \$2,392 for each)	+
	State and Other Taxes (Table 1)	+
	Medical/Dental Expenses (Item 37) (In excess of 3% of Total Income)	+
	Employment Expense Allowance (Two working parents: 30 percent of the lesser of the earned incomes [Item 32 or Item 33], or \$1,900, whichever is less. One-parent families: 30 percent of earned income, or \$1,900, whichever is less)	+
	Elem./Jr. High/Sr. High Tuition (Item 38) (In excess of 4% of Total Income, but not to exceed \$1,400)	+
	Standard Maintenance Allowance (Table 2)	+
	<b>Total Allowances</b>	=

<b>Total Income</b>	
<b>Total Allowances</b>	-
<b>Available Income</b> (May be a negative number)	

Assets—Income Supplement		
	Cash and Savings (Item 44)	
	Home Equity	
	Home Value (Item 45)	
	Home Debt (Item 46) (If negative, enter zero)	=
	Other Real Estate/Investment Equity	
	Other Real Estate/Investment Value (Item 47)	
	Other Real Estate/Investment Debt (Item 48) (If negative, enter zero)	=
	Net Worth of Business/Farm	
	Business/Farm Value (Item 49)	
	Business/Farm Debt (Item 50) (If negative, enter zero)	=
	Adjusted Net Worth of Business/Farm (Table 3)	→ +
	<b>Net Worth</b>	=
	Home and Other Asset Protection Allowance (Table 4)	-
	<b>Discretionary Net Worth</b> (May be a negative number)	=
	Asset Conversion Rate (Table 5) (Rounded to 3 decimal points)	×
	<b>Income Supplement</b> (May be a negative number)	

Parental Contribution		
	Available Income	
	Income Supplement	
	<b>Adjusted Available Income</b>	=

<b>Total Parents' Contribution</b> (Calculate using Table 7) (If negative, enter zero)	
Number in College (Item 23 minus Item 24)	+
<b>Parents' Contribution for the Student</b> (Rounded to \$10 increment)	=

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# 1984-85 Family Contribution for Independent Student

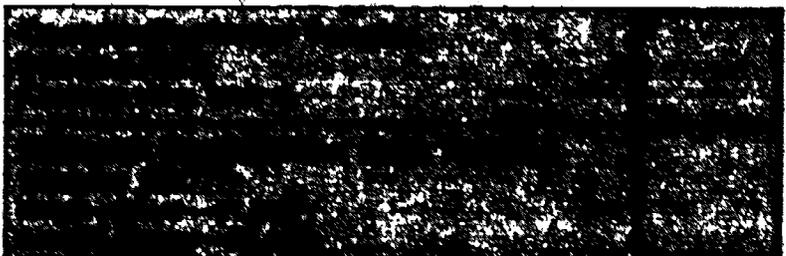
(SAR item numbers indicated in parentheses)

Name	Social Security Number	Base Year

Taxable Income	
Student's Summer Income (Item 51)	
Student's School Year Income (Item 52)	+
Spouse's Summer Income (Item 53)	+
Spouse's School Year Income (Item 54)	+
<b>Total Taxable Income</b>	= <input type="text"/>

Allowances	
Estimated U.S. Income Tax (See instructions on page 17)	
Social Security Taxes (6.7% of first \$35,700 of expected taxable income for the student and for the spouse, not to exceed \$2,392 for each)	+
State and Local Income Taxes (Table 2)	+
<b>Total Tax Allowances</b>	= <input type="text"/>

<b>Total Taxable Income</b>	
<b>Total Tax Allowances</b>	-
<b>Available Taxable Income</b> (If negative, enter zero)	= <input type="text"/>



Untaxed Income	
Estimated Social Security Educational Benefits for 1984-85	
Monthly Social Security Benefits (Item 55)	_____
Social Security Benefit Months (Item 56)	_____
(If greater than 8, enter 8)	× _____
	= _____
Estimated Veterans Educational Benefits for 1984-85	
Monthly Veterans Benefits (Item 58)	_____
Veterans Benefit Months (Item 59)	_____
	× _____
	= _____
Student/Spouse Other Untaxed Income (Item 60)	+
<b>Contribution from Untaxed Income</b>	= <input type="text"/>

Assets—Income Supplement	
Cash and Savings (Item 44)	
Home Equity	
Home Value (Item 45)	_____
Home Debt (Item 46)	- _____
(If negative, enter zero)	= _____
Other Real Estate/Investment Equity	
Other Real Estate/Investment Value (Item 47)	_____
Other Real Estate/Investment Debt (Item 48)	- _____
(If negative, enter zero)	= _____
Net Worth of Business/Farm	
Business/Farm Value (Item 49)	_____
Business/Farm Debt (Item 50)	- _____
(If negative, enter zero)	= _____
Adjusted Net Worth of Business/Farm (Table 4)	→ +

<b>Net Worth</b>	= <input type="text"/>
Asset Protection Allowance (Table 5)	-
<b>Discretionary Net Worth</b>	= <input type="text"/>
Asset Taxation Rate (12% for students with children, 35% for students without children)	x.12 x.35

Family Contribution for Independent Student	
<b>Family Contribution</b> (Rounded to \$10 increment)	= <input type="text"/>

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