
THE EFC FORMULA, 2008-2009

What is the EFC?

The Expected Family Contribution (EFC) is the amount a family can be expected to contribute toward a student's college costs. Financial aid administrators determine an applicant's need for federal student aid from the U.S. Department of Education (the Department) and other sources of assistance by subtracting the EFC from the student's cost of attendance (COA).

The EFC formula is used to determine the EFC and ultimately determine the need for aid from the following types of federal student financial assistance: Federal Pell Grants, Academic Competitiveness Grants (ACGs), National Science and Mathematics Access to Retain Talent Grants (National SMART Grants), subsidized Stafford Loans (through the William D. Ford Federal Direct Loan [DL] Program or through the Federal Family Education Loan [FFEL] Program), and from the "campus-based" programs—Federal Supplemental Educational Opportunity Grants (FSEOGs), Federal Perkins Loans, and Federal Work-Study (FWS). The methodology for determining the EFC is found in Part F of Title IV of the Higher Education Act of 1965, as amended (HEA). Updated tables used in the computation of the EFC for the 2008-2009 award year were published in the *Federal Register* on June 1, 2007 (72 FR 30568) and updated on July 20, 2007 (72 FR 39804).

What is the source of data used in EFC calculations?

All data used to calculate a student's EFC comes from the information the student provides on the Free Application for Federal Student Aid (FAFSA). A student may submit a FAFSA (1) through the Internet by using FAFSA on the Web, (2) by filing an application electronically through a school, or (3) by mailing a paper FAFSA to the Central Processing System (CPS). Students who applied for federal student aid in the previous award year may be eligible to reapply using a renewal FAFSA online. Applying for federal aid is free. However, to be considered for non-federal aid (such as institutional aid), a student may have to fill out additional forms.

We encourage applicants to complete the appropriate electronic version of the FAFSA rather than a paper FAFSA because the electronic version contains additional instructions and help features, has built-in edits that reduce applicant errors, and allows the Department to send application results to the applicant and schools more quickly.

Who processes the application, and how is a student notified of his or her EFC?

The CPS receives the student's application data, either electronically or on the paper application, and uses it to calculate an EFC. After the FAFSA has been processed, the CPS sends the student an output document containing information about his or her application results. This document, which can be paper or electronic, is called a Student Aid Report (SAR). The SAR lists all the information from the student's application and indicates whether or not the application was complete and signed. If the application is complete and signed and no data conflicts, the SAR also includes the student's EFC. Students are instructed to carefully check the information on the SAR to ensure its accuracy. All schools listed on the student's FAFSA receive application information and processing results in an electronic file called an Institutional Student Information Record (ISIR).

Which EFC Formula Worksheet should be used?

There are three regular (full-data) formulas—(A) for the dependent student, (B) for the independent student **without** dependents other than a spouse, and (C) for the independent student **with** dependents other than a spouse. Also, there is a simplified version of each formula with fewer data elements. Instructions for applicants who are eligible for the automatic zero EFC calculation are included in each worksheet. See page 5 for more information on which students qualify for an automatic zero EFC.

EFC Formula Worksheet A	pages 9-12
Simplified EFC Formula Worksheet A	pages 13-16
Tables A1 through A7 (use with EFC Formula Worksheet A) ..	pages 17-20
EFC Formula Worksheet B	pages 21-22
Simplified EFC Formula Worksheet B	pages 23-24
Tables B1 through B4 (use with EFC Formula Worksheet B) ...	pages 25-27
EFC Formula Worksheet C	pages 29-30
Simplified EFC Formula Worksheet C	pages 31-32
Tables C1 through C6 (use with EFC Formula Worksheet C) ..	pages 33-35

Note: Do not complete the shaded areas in the simplified worksheets; asset information is not required in the simplified formulas.

What is the definition of an independent student?

Because the EFC formula for a dependent student uses parental data, and the two formulas for independent students do not, the first step in calculating a student's EFC is to determine his or her dependency status. For the 2008-2009 award year, a student is automatically determined to be an independent applicant for federal student aid if he or she meets one or more of the following criteria:

- Student was born before January 1, 1985.
- At the beginning of the 2008-2009 school year, the student will be enrolled in a master's or doctoral degree program (such as MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.).
- Student is married as of the date of the application (answer "Yes" if the student is separated but not divorced).
- Student has children who receive more than half of their support from him or her.
- Student has dependents (other than children or spouse) who live with the student and the dependent receives more than half of their support from the student, now and through June 30, 2009.
- Both of the student's parents are deceased OR the student is (or was until the age of 18) a ward/dependent of the court.
- Student is currently serving on active duty in the U.S. Armed Forces, or is a National Guard or Reserves enlistee called into federal active duty for other than training purposes.
- Student is a veteran of the U.S. Armed Forces (see the definition in the box below).

A financial aid administrator can make a determination of independence with documentation of unusual circumstances, even if the student initially filed as a dependent student.

TERMS USED IN THE DEFINITION OF AN INDEPENDENT STUDENT

LEGAL DEPENDENT. Any child of the student who receives more than half of their support from the student (the child does not have to live with the student), including a biological or adopted child. Also, any person, other than a spouse, who lives with the student and receives more than half of his or her support from the student now and will continue to receive more than half of his or her support from the student through June 30, 2009.

VETERAN. A student who (1) has engaged in active service in the U.S. Armed Forces (Army, Navy, Air Force, Marines, or Coast Guard), or has been a member of the National Guard or Reserves who was called to active duty for purposes other than training, or was a cadet or midshipman at one of the service academies, or attended a U.S. military academy preparatory school, and (2) was released under a condition other than dishonorable. A veteran is also a student who does not meet this definition now but will by June 30, 2009.

Which students qualify for the simplified EFC formulas?

The following criteria determine which students have their EFCs calculated by a simplified formula. Assets are not considered in the simplified EFC formulas.

For the 2008-2009 award year, a **dependent** student qualifies for the simplified EFC formula if both (1) and (2) below are true:

- (1) Anyone included in the **parents'** household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs: the Supplemental Security Income (SSI) Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the Temporary Assistance for Needy Families (TANF) Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); **OR**
the student's **parents** filed or are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040)¹, or the parents are not required to file any income tax return.

AND

- (2) The 2007 income of the student's **parents** is \$49,999 or less.
 - For tax filers, use the parents' adjusted gross income from 2007 Form 1040A or 1040EZ² to determine if income is \$49,999 or less.
 - For non-tax filers, use the income shown on the 2007 W-2 forms of both parents (plus any other earnings from work not included on the W-2s) to determine if income is \$49,999 or less.

For the 2008-2009 award year, an **independent** student qualifies for the simplified EFC formula if both (1) and (2) below are true:

- (1) Anyone included in the **student's** household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs: the Supplemental Security Income (SSI) Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the Temporary Assistance for Needy Families (TANF) Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); **OR**
the student (and the student's spouse, if any) filed or is eligible to file a 2007 IRS Form 1040A or 1040EZ (he or she is not required to file a 2007 Form 1040)³, or he or she is not required to file any income tax return.

AND

¹One of the following 2007 income tax forms may be filed as an alternative to filing a Form 1040A or 1040EZ: the income tax return required by the tax code of the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau.

²See note 1 above.

³See note 1 above.

- (2) The student's (and spouse's) 2007 income is \$49,999 or less.
- For tax filers, use the student's (and spouse's) adjusted gross income from 2007 Form 1040A or 1040EZ⁴ to determine if income is \$49,999 or less.
 - For non-tax filers, use the income shown on the student's (and spouse's) 2007 W-2 forms (plus any other earnings from work not included on the W-2s) to determine if income is \$49,999 or less.

Which students qualify for an automatic zero EFC calculation?

Certain students are automatically eligible for a zero EFC. For the 2008-2009 award year, a **dependent student** automatically qualifies for a zero EFC if both (1) and (2) below are true:

- (1) Anyone included in the **parents'** household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs: the Supplemental Security Income (SSI) Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the Temporary Assistance Program Assistance for Needy Families (TANF) Program, and the Special Supplemental for Women, Infants, and Children (WIC); **OR**

the student's **parents** filed or are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040)⁵, or the parents are not required to file any income tax return.

AND

- (2) The 2007 income of the student's **parents** is \$20,000 or less.
- For tax filers, use the parents' adjusted gross income from 2007 Form 1040A or 1040EZ⁶ to determine if income is \$20,000 or less.
 - For non-tax filers, use the income shown on the 2007 W-2 forms of both parents (plus any other earnings from work not included on the W-2s) to determine if income is \$20,000 or less.

An **independent student with dependents other than a spouse** automatically qualifies for a zero EFC if both (1) and (2) below are true:

- (1) Anyone included in the **student's** household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs: the Supplemental Security Income (SSI) Program, the Food Stamp Program, the Free and Reduced Price School Lunch Program, the Temporary Assistance for Needy Families (TANF) Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); **OR**

⁴ See note 1 on page 4.

⁵ See note 1 on page 4.

⁶ See note 1 on page 4.

the student (and the student's spouse, if any) filed or is eligible to file a 2007 IRS Form 1040A or 1040EZ (he or she is not required to file a 2007 Form 1040)⁷, or he or she is not required to file any income tax return.

AND

- (2) The student's (and spouse's) 2007 income is \$20,000 or less.
- For tax filers, use the student's (and spouse's) adjusted gross income from 2007 Form 1040A or 1040EZ⁸ to determine if income is \$20,000 or less.
 - For non-tax filers, use the income shown on the student's (and spouse's) 2007 W-2 forms (plus any other earnings from work not included on the W-2s) to determine if income is \$20,000 or less.

Note that the automatic eligibility criteria for a zero EFC is not applicable to a single or married **independent student without dependents other than a spouse**.

Why might a calculation of an EFC using these worksheets differ from the EFC reported on a student's SAR?

When it appears that an applicant has reported inconsistent data, the CPS may make certain assumptions to resolve the inconsistency. These assumed values, which are reported on the student's SAR, are used to calculate the student's EFC. Therefore, in some cases, the EFC produced by these worksheets may differ from the EFC produced by the CPS if the assumed values are not used.

In addition, to help reconcile EFC Formula Worksheet calculations with those of the CPS, all calculations should be carried to three decimal places and then rounded to the nearest whole numbers—round upward for results of .500 to .999, round downward for results of .001 to .499. Rounding should be performed so that the intermediate value that is the result of each step does not have any decimal digits.

⁷ See note 1 on page 4.

⁸ See note 1 on page 4.

WORKSHEETS AND TABLES

Dependent Student

EFC Formula Worksheet A	pages 9-12
Simplified EFC Formula Worksheet A	pages 13-16
Tables A1 through A7	pages 17-20
(use Tables A1 through A7 with EFC Formula Worksheet A)	

Independent Student Without Dependents Other than a Spouse

EFC Formula Worksheet B	pages 21-22
Simplified EFC Formula Worksheet B	pages 23-24
Tables B1 through B4	pages 25-27
(use Tables B1 through B4 with EFC Formula Worksheet B)	

Independent Student With Dependents Other than a Spouse

EFC Formula Worksheet C	pages 29-30
Simplified EFC Formula Worksheet C	pages 31-32
Tables C1 through C6	pages 33-35
(use Tables C1 through C6 with EFC Formula Worksheet C)	

Note: Do not complete the shaded areas in the simplified worksheets; asset information is not required in the simplified formulas.

This page left blank intentionally.

2008-2009 EFC FORMULA A : DEPENDENT STUDENT



PARENTS' INCOME IN 2007	
1. Parents' Adjusted Gross Income (FAFSA/SAR #79) If negative, enter zero.	
2. a. Father's/stepfather's income earned from work (FAFSA/SAR #82)	
2. b. Mother's/stepmother's income earned from work (FAFSA/SAR #83) +	
Total parents' income earned from work =	
3. Parents' Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR #84)	
• Total from FAFSA Worksheet B (FAFSA/SAR #85) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #86)	-
7. TOTAL INCOME (line 5 minus line 6) May be a negative number.	=

ALLOWANCES AGAINST PARENTS' INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #80) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero.	+
10. Father's/stepfather's Social Security tax allowance (Table A2)	+
11. Mother's/stepmother's Social Security tax allowance (Table A2)	+
12. Income protection allowance (Table A3)	+
13. Employment expense allowance:	
• Two working parents: 35% of the lesser of the earned incomes, or \$3,300, whichever is less	
• One-parent families: 35% of earned income, or \$3,300, whichever is less	
• Two-parent families, one working parent: enter zero	+
14. TOTAL ALLOWANCES	=

AVAILABLE INCOME	
Total income (from line 7)	
Total allowances (from line 14)	-
15. AVAILABLE INCOME (AI) May be a negative number.	=

PARENTS' CONTRIBUTION FROM ASSETS	
16. Cash, savings & checking (FAFSA/SAR #87)	
17. Net worth of investments** (FAFSA/SAR #88) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR #89) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table A4.)	+
20. Net worth (sum of lines 16, 17, and 19)	=
21. Education savings and asset protection allowance (Table A5)	-
22. Discretionary net worth (line 20 minus line 21)	=
23. Asset conversion rate	× .12
24. CONTRIBUTION FROM ASSETS If negative, enter zero.	=

PARENTS' CONTRIBUTION	
AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTION FROM ASSETS (from line 24)	+
25. Adjusted Available Income (AAI) May be a negative number.	=
26. Total parents' contribution from AAI (Calculate using Table A6.) If negative, enter zero.	
27. Number in college in 2008-2009 (Exclude parents) (FAFSA/SAR #67)	÷
28. PARENTS' CONTRIBUTION (standard contribution for nine-month enrollment)*** If negative, enter zero.	=

**Do not include the family's home.

***To calculate the parents' contribution for other than nine-month enrollment, see page 11.

*STOP HERE if the following are true: line 3 is \$20,000 or less and either the parents are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040), or they are not required to file any income tax return, or anyone included in the parents' household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs. If these circumstances are true, the Expected Family Contribution is automatically zero.

continued on the next page



STUDENT'S INCOME IN 2007

29. Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
30. Income earned from work (FAFSA/SAR #38)	
31. Taxable Income (If tax filer, enter the amount from line 29. If non-tax filer, enter the amount from line 30.)	
32. Untaxed income and benefits: Total from FAFSA Worksheet A (FAFSA/SAR #40) _____ Total from FAFSA Worksheet B (FAFSA/SAR #41) + _____ Total untaxed income and benefits =	
33. Taxable and untaxed income (sum of line 31 and line 32)	
34. Total from FAFSA Worksheet C (FAFSA/SAR #42) _____	-
35. TOTAL INCOME (line 33 minus line 34) May be a negative number.	=

ALLOWANCES AGAINST STUDENT INCOME

36. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
37. State and other tax allowance (Table A7) If negative, enter zero.	+
38. Social Security tax allowance (Table A2)	+
39. Income protection allowance	+ 3,080
40. Allowance for parents' negative Adjusted Available Income (If line 25 is negative, enter line 25 as a positive number in line 40. If line 25 is zero or positive, enter zero in line 40.)	+
41. TOTAL ALLOWANCES	=

STUDENT'S CONTRIBUTION FROM INCOME

Total income (from line 35)	
Total allowances (from line 41)	-
42. Available income (AI)	=
43. Assessment of AI	× .50
44. STUDENT'S CONTRIBUTION FROM AI If negative, enter zero.	=

STUDENT'S CONTRIBUTION FROM ASSETS

45. Cash, savings & checking (FAFSA/SAR #43)	
46. Net worth of investments* (FAFSA/SAR #44) If negative, enter zero.	
47. Net worth of business and/or investment farm (FAFSA/SAR #45) If negative, enter zero.	+
48. Net worth (sum of lines 45 through 47)	=
49. Assessment rate	× .20
50. STUDENT'S CONTRIBUTION FROM ASSETS	=

EXPECTED FAMILY CONTRIBUTION

PARENTS' CONTRIBUTION (from line 28)	
STUDENT'S CONTRIBUTION FROM AI (from line 44)	+
STUDENT'S CONTRIBUTION FROM ASSETS (from line 50)	+
51. EXPECTED FAMILY CONTRIBUTION (standard contribution for nine-month enrollment)** If negative, enter zero.	=

*Do not include the student's home.

**To calculate the EFC for other than nine-month enrollment,
see the next page.

Note: Use this additional page to prorate the EFC only if the student will be enrolled for other than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Parents' Contribution for a Student Enrolled LESS than Nine Months		
A1. Parents' contribution (standard contribution for nine-month enrollment, from line 28)		
A2. Divide by 9	÷	9
A3. Parents' contribution per month	=	
A4. Multiply by number of months of enrollment	×	
A5. Parents' contribution for LESS than nine-month enrollment	=	

Calculation of Parents' Contribution for a Student Enrolled MORE than Nine Months		
B1. Parents' Adjusted Available Income (AAI) (from line 25—may be a negative number)		
B2. Difference between the income protection allowance for a family of four and a family of five, with one in college	+	4,250
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table A6)		
B5. Number in college (FAFSA/SAR #67)	÷	
B6. Alternate parents' contribution for student (line B4 divided by line B5)	=	
B7. Standard parents' contribution for the student for nine-month enrollment (from line 28)	-	
B8. Difference (line B6 minus line B7)	=	
B9. Divide line B8 by 12 months	÷	12
B10. Parents' contribution per month	=	
B11. Number of months student will be enrolled that exceed 9	×	
B12. Adjustment to parents' contribution for months that exceed nine (multiply line B10 by line B11)	=	
B13. Standard parents' contribution for nine-month enrollment (from line 28)	+	
B14. Parents' contribution for MORE than nine-month enrollment	=	

Calculation of Student's Contribution from Available Income (AI) for a Student Enrolled LESS than Nine Months*		
C1. Student's contribution from AI (standard contribution for nine-month enrollment, from line 44)		
C2. Divide by 9	÷	9
C3. Student's contribution from AI per month	=	
C4. Multiply by number of months of enrollment	×	
C5. Student's contribution from AI for LESS than nine-month enrollment	=	

*For students enrolled more than nine months, the standard contribution from AI is used (the amount from line 44).

Use next page to calculate total EFC for enrollment periods other than nine months

Calculation of Total Expected Family Contribution for Periods of Enrollment Other than Nine Months

Parents' Contribution—use ONE appropriate amount from previous page: <ul style="list-style-type: none"> • Enter amount from line A5 for enrollment periods less than nine months OR • Enter amount from line B14 for enrollment periods greater than nine months 	
Student's Contribution from Available Income—use ONE appropriate amount from previous page: <ul style="list-style-type: none"> • Enter amount from line C5 for enrollment periods less than nine months OR • Enter amount from line 44 for enrollment periods greater than nine months 	+
Student's Contribution from Assets <ul style="list-style-type: none"> • Enter amount from line 50 	+
Expected Family Contribution for periods of enrollment other than nine months	=

2008-2009 EFC FORMULA A: DEPENDENT STUDENT



PARENTS' INCOME IN 2007	
1. Parents' Adjusted Gross Income (FAFSA/SAR #79) If negative, enter zero.	
2. a. Father's/stepfather's income earned from work (FAFSA/SAR #82)	
2. b. Mother's/stepmother's income earned from work (FAFSA/SAR #83) +	
Total parents' income earned from work =	
3. Parents' Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR #84)	
• Total from FAFSA Worksheet B (FAFSA/SAR #85) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #86)	-
7. TOTAL INCOME (line 5 minus line 6) May be a negative number.	=

ALLOWANCES AGAINST PARENTS' INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #80) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero.	+
10. Father's/stepfather's Social Security tax allowance (Table A2)	+
11. Mother's/stepmother's Social Security tax allowance (Table A2)	+
12. Income protection allowance (Table A3)	+
13. Employment expense allowance:	
• Two working parents: 35% of the lesser of the earned incomes, or \$3,300, whichever is less	
• One-parent families: 35% of earned income, or \$3,300, whichever is less	
• Two-parent families, one working parent: enter zero	+
14. TOTAL ALLOWANCES	=

AVAILABLE INCOME	
TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14)	-
15. AVAILABLE INCOME (AI) May be a negative number.	=

PARENTS' CONTRIBUTION FROM ASSETS	
16. Cash, savings & checking (FAFSA/SAR #87)	
17. Net worth of investments** (FAFSA/SAR #88) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR #89) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table A4.)	+
20. Net worth (sum of lines 16, 17, and 19)	=
21. Education savings and asset protection allowance (Table A5)	-
22. Discretionary net worth (line 20 minus line 21)	=
23. Asset conversion rate	×
24. CONTRIBUTION FROM ASSETS If negative, enter zero.	=

PARENTS' CONTRIBUTION	
AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTION FROM ASSETS (from line 24)	+
25. Adjusted Available Income (AAI) May be a negative number.	=
26. Total parents' contribution from AAI (Calculate using Table A6.) If negative, enter zero.	
27. Number in college in 2008-2009 (Exclude parents) (FAFSA/SAR #67)	÷
28. PARENTS' CONTRIBUTION (standard contribution for nine-month enrollment)** If negative, enter zero.	=

**Do not include the family's home.

***To calculate the parents' contribution for other than nine-month enrollment, see page 15.

*STOP HERE if the following are true: line 3 is \$20,000 or less and either the parents are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040), or they are not required to file any income tax return, or anyone included in the parents' household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs. If these circumstances are true, the Expected Family Contribution is automatically zero.

Note: Do not complete the shaded areas; asset information is not required in the simplified formula.

continued on the next page



STUDENT'S INCOME IN 2007

29. Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
30. Income earned from work (FAFSA/SAR #38)	
31. Taxable Income (If tax filer, enter the amount from line 29. If non-tax filer, enter the amount from line 30.)	
32. Untaxed income and benefits:	
Total from FAFSA Worksheet A (FAFSA/SAR #40) _____	
Total from FAFSA Worksheet B (FAFSA/SAR #41) + _____	
Total untaxed income and benefits =	
33. Taxable and untaxed income (sum of line 31 and line 32)	
34. Total from FAFSA Worksheet C (FAFSA/SAR #42) _____	-
35. TOTAL INCOME (line 33 minus line 34) May be a negative number.	=

ALLOWANCES AGAINST STUDENT INCOME

36. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
37. State and other tax allowance (Table A7) If negative, enter zero.	+
38. Social Security tax allowance (Table A2)	+
39. Income protection allowance	+ 3,080
40. Allowance for parents' negative Adjusted Available Income (If line 25 is negative, enter line 25 as a positive number in line 40. If line 25 is zero or positive, enter zero in line 40.)	+
41. TOTAL ALLOWANCES	=

STUDENT'S CONTRIBUTION FROM INCOME

TOTAL INCOME (from line 35)	
TOTAL ALLOWANCES (from line 41)	-
42. Available income (AI)	=
43. Assessment of AI	× .50
44. STUDENT'S CONTRIBUTION FROM AI If negative, enter zero.	=

STUDENT'S CONTRIBUTION FROM ASSETS

45. Cash, savings & checking (FAFSA/SAR #43)	+	
46. Net worth of investments* (FAFSA/SAR #44) If negative, enter zero.		
47. Net worth of business and/or investment farm (FAFSA/SAR #45) If negative, enter zero.	+	
48. Net worth (sum of lines 45 through 47)	=	
49. Assessment rate	×	.20
50. STUDENT'S CONTRIBUTION FROM ASSETS	=	

EXPECTED FAMILY CONTRIBUTION

PARENTS' CONTRIBUTION (from line 28)		
STUDENT'S CONTRIBUTION FROM AI (from line 44)	+	
STUDENT'S CONTRIBUTION FROM ASSETS (from line 50)	+	
51. EXPECTED FAMILY CONTRIBUTION standard contribution for nine month enrollment. If negative, enter zero.**	=	

*Do not include the student's home.

**To calculate the EFC for other than nine-month enrollment,
see the next page.

**Note: Do not complete the shaded areas;
asset information is not required in the
simplified formula.**

Note: Use this additional page to prorate the EFC only if the student will be enrolled for other than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Parents' Contribution for a Student Enrolled LESS than Nine Months

A1. Parents' contribution (standard contribution for nine-month enrollment, from line 28)		
A2. Divide by 9	÷	9
A3. Parents' contribution per month	=	
A4. Multiply by number of months of enrollment	×	
A5. Parents' contribution for LESS than nine-month enrollment	=	

Calculation of Parents' Contribution for a Student Enrolled MORE than Nine Months

B1. Parents' Adjusted Available Income (AAI) (from line 25—may be a negative number)		
B2. Difference between the income protection allowance for a family of four and a family of five, with one in college	+	4,250
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table A6)		
B5. Number in college (FAFSA/SAR #67)	÷	
B6. Alternate parents' contribution for student (line B4 divided by line B5)	=	
B7. Standard parents' contribution for the student for nine-month enrollment (from line 28)	-	
B8. Difference (line B6 minus line B7)	=	
B9. Divide line B8 by 12 months	÷	12
B10. Parents' contribution per month	=	
B11. Number of months student will be enrolled that exceed 9	×	
B12. Adjustment to parents' contribution for months that exceed nine (multiply line B10 by line B11)	=	
B13. Standard parents' contribution for nine-month enrollment (from line 28)	+	
B14. Parents' contribution for MORE than nine-month enrollment	=	

Calculation of Student's Contribution from Available Income (AI) for a Student Enrolled LESS than Nine Months*

C1. Student's contribution from AI (standard contribution for nine-month enrollment, from line 44)		
C2. Divide by 9	÷	9
C3. Student's contribution from AI per month	=	
C4. Multiply by number of months of enrollment	×	
C5. Student's contribution from AI for LESS than nine-month enrollment	=	

*For students enrolled more than nine months, the standard contribution from AI is used (the amount from line 44).

Use next page to calculate total EFC for enrollment periods other than nine months

Calculation of Total Expected Family Contribution for Periods of Enrollment Other than Nine Months

<p>Parents' Contribution—use ONE appropriate amount from previous page:</p> <ul style="list-style-type: none"> • Enter amount from line A5 for enrollment periods less than nine months OR • Enter amount from line B14 for enrollment periods greater than nine months 	
<p>Student's Contribution from Available Income—use ONE appropriate amount from previous page:</p> <ul style="list-style-type: none"> • Enter amount from line C5 for enrollment periods less than nine months OR • Enter amount from line 44 for enrollment periods greater than nine months 	+
<p>Expected Family Contribution for periods of enrollment other than nine months</p>	=

Table A1: State and Other Tax Allowance
for EFC Formula Worksheet A (parents only)

STATE	PERCENT OF TOTAL INCOME		STATE	PERCENT OF TOTAL INCOME	
	\$0-\$14,999	\$15,000 or more		\$0-\$14,999	\$15,000 or more
Alabama	3%	2%	Missouri	5%	4%
Alaska	2%	1%	Montana	5%	4%
American Samoa	3%	2%	Nebraska	5%	4%
Arizona	4%	3%	Nevada	3%	2%
Arkansas	4%	3%	New Hampshire	5%	4%
California	7%	6%	New Jersey	8%	7%
Canada and Canadian			New Mexico	4%	3%
Provinces	3%	2%	New York	9%	8%
Colorado	4%	3%	North Carolina	6%	5%
Connecticut	7%	6%	North Dakota	2%	1%
Delaware	4%	3%	Northern Mariana		
District of Columbia	7%	6%	Islands	3%	2%
Federated States			Ohio	6%	5%
of Micronesia	3%	2%	Oklahoma	6%	5%
Florida	3%	2%	Oregon	7%	6%
Georgia	6%	5%	Palau	3%	2%
Guam	3%	2%	Pennsylvania	5%	4%
Hawaii	4%	3%	Puerto Rico	3%	2%
Idaho	5%	4%	Rhode Island	7%	6%
Illinois	5%	4%	South Carolina	5%	4%
Indiana	4%	3%	South Dakota	2%	1%
Iowa	5%	4%	Tennessee	2%	1%
Kansas	5%	4%	Texas	3%	2%
Kentucky	5%	4%	Utah	5%	4%
Louisiana	3%	2%	Vermont	5%	4%
Maine	6%	5%	Virgin Islands	3%	2%
Marshall Islands	3%	2%	Virginia	5%	4%
Maryland	7%	6%	Washington	4%	3%
Massachusetts	6%	5%	West Virginia	3%	2%
Mexico	3%	2%	Wisconsin	7%	6%
Michigan	5%	4%	Wyoming	2%	1%
Minnesota	6%	5%	Blank or Invalid		
Mississippi	4%	3%	State	3%	2%
			OTHER	3%	2%

Multiply Parents' Total Income (EFC Formula Worksheet A, line 7) by the appropriate rate from the table above to get the "State and Other Tax Allowance" (EFC Formula Worksheet A, line 9). Use the parents' State of Legal Residence (FAFSA/SAR #68). If this item is blank or invalid, use the student's State of Legal Residence (FAFSA/SAR #18). If both items are blank or invalid, use the State in the Student's Mailing Address (FAFSA/SAR #6). If all three items are blank or invalid, use the rate for a blank or invalid state above.

Table A2: Social Security Tax

Calculate separately the Social Security tax of father, mother, and student.

Income Earned from Work*	Social Security Tax
\$0 - \$97,500	7.65% of income
\$97,501 or greater	\$7,458.75 + 1.45% of amount over \$97,500

*Father's/stepfather's 2007 income earned from work is FAFSA/SAR #82.
 Mother's/stepmother's 2007 income earned from work is FAFSA/SAR #83.
 Student's 2007 income earned from work is FAFSA/SAR #38.
 Social Security tax will never be less than zero.

Table A3: Income Protection Allowance

Number in parents' household, including student (FAFSA/SAR #66)	Number of college students in household (FAFSA/SAR #67)				
	1	2	3	4	5
2	\$15,380	\$12,750	————	————	————
3	19,150	16,540	\$13,900	————	————
4	23,660	21,020	18,410	\$15,770	————
5	27,910	25,280	22,660	20,030	\$17,410
6	32,650	30,010	27,400	24,770	22,150

Note: For each additional family member, add \$3,680.
 For each additional college student (except parents), subtract \$2,620.

Table A4: Business/Farm Net Worth Adjustment

for EFC Formula Worksheet A (parents only)

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$110,000	40% of net worth of business/farm
\$110,001 to \$330,000	\$ 44,000 + 50% of net worth over \$110,000
\$330,001 to \$550,000	\$154,000 + 60% of net worth over \$330,000
\$550,001 or more	\$286,000 + 100% of net worth over \$550,000

Table A5: Education Savings and Asset Protection Allowance

for EFC Formula Worksheet A (parents only)

Age of older parent as of 12/31/2008*	Allowance if there are two parents	Allowance if there is only one parent	Age of older parent as of 12/31/2008*	Allowance if there are two parents	Allowance if there is only one parent
25 or less ...	\$0	\$0	45	\$43,400	\$17,900
26	2,600	1,100	46	44,500	18,300
27	5,100	2,100	47	45,600	18,800
28	7,700	3,200	48	46,700	19,200
29	10,200	4,300	49	47,900	19,700
30	12,800	5,300	50	49,000	20,100
31	15,400	6,400	51	50,500	20,500
32	17,900	7,500	52	51,800	21,000
33	20,500	8,500	53	53,300	21,500
34	23,000	9,600	54	54,600	22,100
35	25,600	10,700	55	56,300	22,600
36	28,200	11,700	56	57,600	23,200
37	30,700	12,800	57	59,300	23,700
38	33,300	13,900	58	61,100	24,400
39	35,800	14,900	59	62,900	25,000
40	38,400	16,000	60	64,700	25,700
41	39,300	16,400	61	66,600	26,300
42	40,300	16,700	62	68,500	27,000
43	41,300	17,100	63	70,800	27,800
44	42,300	17,600	64	72,800	28,500
			65 or over ..	75,200	29,300

*Determine the age of the older parent listed in FAFSA/SAR #61 and #65 as of 12/31/08.
If no parent date of birth is provided, use age 45.

Table A6: Parents' Contribution from AAI

If parents' AAI is—	The parents' contribution from AAI is—
Less than -\$3,409	-\$750
-\$3,409 to \$13,700	22% of AAI
\$13,701 to \$17,300	\$3,014 + 25% of AAI over \$13,700
\$17,301 to \$20,800	\$3,914 + 29% of AAI over \$17,300
\$20,801 to \$24,300	\$4,929 + 34% of AAI over \$20,800
\$24,301 to \$27,800	\$6,119 + 40% of AAI over \$24,300
\$27,801 or more	\$7,519 + 47% of AAI over \$27,800

**Table A7: State and Other Tax Allowance
for EFC Formula Worksheet A (student only)**

Alabama	2%	Missouri	3%
Alaska	0%	Montana	3%
American Samoa	2%	Nebraska	3%
Arizona	3%	Nevada	1%
Arkansas	3%	New Hampshire	1%
California	5%	New Jersey	4%
Canada and Canadian Provinces	2%	New Mexico	3%
Colorado	3%	New York	6%
Connecticut	4%	North Carolina	4%
Delaware	3%	North Dakota	1%
District of Columbia	6%	Northern Mariana Islands	2%
Federated States of Micronesia	2%	Ohio	4%
Florida	1%	Oklahoma	3%
Georgia	3%	Oregon	5%
Guam	2%	Palau	2%
Hawaii	4%	Pennsylvania	3%
Idaho	3%	Puerto Rico	2%
Illinois	2%	Rhode Island	4%
Indiana	3%	South Carolina	3%
Iowa	3%	South Dakota	1%
Kansas	3%	Tennessee	1%
Kentucky	4%	Texas	1%
Louisiana	2%	Utah	4%
Maine	4%	Vermont	3%
Marshall Islands	2%	Virgin Islands	2%
Maryland	5%	Virginia	3%
Massachusetts	4%	Washington	2%
Mexico	2%	West Virginia	2%
Michigan	3%	Wisconsin	4%
Minnesota	4%	Wyoming	1%
Mississippi	2%	Blank or Invalid State	2%
		OTHER	2%

Multiply the student's total income (EFC Formula Worksheet A, line 35) by the appropriate rate from the table above to get the "state and other tax allowance" (EFC Formula Worksheet A, line 37). Use the student's state of legal residence (FAFSA/SAR #18). If this item is blank or invalid, use the state in the student's mailing address (FAFSA/SAR #6). If both items are blank or invalid, use the parents' state of legal residence (FAFSA/SAR #68). If all three items are blank or invalid, use the rate for a blank or invalid state above.

2008-2009 EFC FORMULA B: INDEPENDENT STUDENT
Without Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2007	
1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
2. a. Student's income earned from work (FAFSA/SAR#38)	
2. b. Spouse's income earned from work (FAFSA/SAR#39) +	
Total student/spouse income earned from work =	
3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR#40)	
• Total from FAFSA Worksheet B (FAFSA/SAR#41) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #42) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table B1) If negative, enter zero. +	
10. Student's Social Security tax (Table B2) +	
11. Spouse's Social Security tax (Table B2) +	
12. Income protection allowance:	
• \$6,220 for unmarried or separated student;	
• \$6,220 for married student if spouse is enrolled at least 1/2 time;	
• \$9,970 for married student if spouse is not enrolled at least 1/2 time. +	
13. Employment expense allowance:	
• If student is not married or is separated, the allowance is zero.	
• If student is married but only one person is working (the student or spouse), the allowance is zero.	
• If student is married and both student and spouse are working, the allowance is 35% of the lesser of the earned incomes, or \$3,300, whichever is less. +	
14. TOTAL ALLOWANCES =	

CONTRIBUTION FROM AVAILABLE INCOME	
TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14) -	
15. AVAILABLE INCOME (AI) =	
16. Assessment rate ×	.50
17. CONTRIBUTION FROM AI = May be a negative number.	

STUDENT/SPOUSE'S CONTRIBUTION FROM ASSETS	
18. Cash, savings & checking (FAFSA/SAR #43)	
19. Net worth of investments* (FAFSA/SAR#44) If negative, enter zero.	
20. Net worth of business and/or investment farm (FAFSA/SAR#45) If negative, enter zero.	
21. Adjusted net worth of business/farm (Calculate using Table B3.) +	
22. Net worth (sum of lines 18, 19, and 21) =	
23. Asset protection allowance (Table B4) -	
24. Discretionary net worth (line 22 minus line 23) =	
25. Asset conversion rate ×	.20
26. CONTRIBUTION FROM ASSETS = If negative, enter zero.	

EXPECTED FAMILY CONTRIBUTION	
CONTRIBUTION FROM AI (from line 17) = May be a negative number.	
CONTRIBUTION FROM ASSETS (from line 26) +	
27. Contribution from AI and assets =	
28. Number in college in 2008-2009 (FAFSA/SAR#91) ÷	
29. EXPECTED FAMILY CONTRIBUTION for nine month enrollment. If negative, enter zero.** =	

*Do not include the student's home.

**To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 29 above).

Note: Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 29)		
Divide by 9	÷	9
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet B, line 29).

2008-2009 EFC FORMULA **B: INDEPENDENT STUDENT**
Without Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2007	
1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
2. a. Student's income earned from work (FAFSA/SAR#38)	
2. b. Spouse's income earned from work (FAFSA/SAR#39) +	
Total student/spouse income earned from work =	
3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR#40)	
• Total from FAFSA Worksheet B (FAFSA/SAR#41) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #42) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table B1) If negative, enter zero. +	
10. Student's Social Security tax (Table B2) +	
11. Spouse's Social Security tax (Table B2) +	
12. Income protection allowance:	
• \$6,220 for unmarried or separated student;	
• \$6,220 for married student if spouse is enrolled at least 1/2 time;	
• \$9,970 for married student if only the student is enrolled at least 1/2 time. +	
13. Employment expense allowance:	
• If student is not married or is separated, the allowance is zero.	
• If student is married but only one person is working (the student or spouse), the allowance is zero.	
• If student is married and both student and spouse are working, the allowance is 35% of the lesser of the earned incomes, or \$3,300, whichever is less. +	
14. TOTAL ALLOWANCES =	

CONTRIBUTION FROM AVAILABLE INCOME	
TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14) -	
15. AVAILABLE INCOME (AI) =	
16. Assessment rate ×	.50
17. CONTRIBUTION FROM AI = May be a negative number.	

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS	
18. Cash, savings & checking (FAFSA/SAR #43)	
19. Net worth of investments* (FAFSA/SAR#44) If negative, enter zero.	
20. Net worth of business and/or investment farm (FAFSA/SAR#45) If negative, enter zero.	
21. Adjusted net worth of business/farm (Calculate using Table B3.) +	
22. Net worth (sum of lines 18, 19, and 21) =	
23. Asset protection allowance (Table B4) -	
24. Discretionary net worth (line 22 minus line 23) =	
25. Asset conversion rate ×	.20
26. CONTRIBUTION FROM ASSETS If negative, enter zero.	

EXPECTED FAMILY CONTRIBUTION	
CONTRIBUTION FROM AI (from line 17) May be a negative number.	
CONTRIBUTION FROM ASSETS (from line 26) +	
27. Contribution from AI and assets =	
28. Number in college in 2008-2009 (FAFSA/SAR#91) ÷	
29. EXPECTED FAMILY CONTRIBUTION for nine-month enrollment. If negative, enter zero.** =	

*Do not include the student's home.

**To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 29 above).

Note: Do not complete the shaded areas; asset information is not required in the simplified formula.

Note: Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 29)		
Divide by 9	÷	9
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet B, line 29.)

Table B1: State and Other Tax Allowance

Alabama	2%	Missouri	3%
Alaska	0%	Montana	3%
American Samoa	2%	Nebraska	3%
Arizona	3%	Nevada	1%
Arkansas	3%	New Hampshire	1%
California	5%	New Jersey	4%
Canada and Canadian Provinces	2%	New Mexico	3%
Colorado	3%	New York	6%
Connecticut	4%	North Carolina	4%
Delaware	3%	North Dakota	1%
District of Columbia	6%	Northern Mariana Islands	2%
Federated States of Micronesia	2%	Ohio	4%
Florida	1%	Oklahoma	3%
Georgia	3%	Oregon	5%
Guam	2%	Palau	2%
Hawaii	4%	Pennsylvania	3%
Idaho	3%	Puerto Rico	2%
Illinois	2%	Rhode Island	4%
Indiana	3%	South Carolina	3%
Iowa	3%	South Dakota	1%
Kansas	3%	Tennessee	1%
Kentucky	4%	Texas	1%
Louisiana	2%	Utah	4%
Maine	4%	Vermont	3%
Marshall Islands	2%	Virgin Islands	2%
Maryland	5%	Virginia	3%
Massachusetts	4%	Washington	2%
Mexico	2%	West Virginia	2%
Michigan	3%	Wisconsin	4%
Minnesota	4%	Wyoming	1%
Mississippi	2%	Blank or Invalid State	2%
		OTHER	2%

Multiply the total income of student and spouse (EFC Formula Worksheet B, line 7) by the appropriate rate from the table above to get the “state and other tax allowance” (EFC Formula Worksheet B, line 9). Use the student’s State of Legal Residence (FAFSA/SAR #18) reported on the FAFSA. If this item is blank or invalid, use the State in the Student’s Mailing Address (FAFSA/SAR #6). If both items are blank or invalid, use rate for blank or invalid state above.

Table B2: Social Security Tax

Calculate separately the Social Security tax of student and spouse.

Income Earned from Work*	Social Security Tax
\$0 - \$97,500	7.65% of income
\$97,501 or greater	\$7,458.75 + 1.45% of amount over \$97,500

*Student's 2007 income earned from work is FAFSA/SAR #38.

Spouse's 2007 income earned from work is FAFSA/SAR #39.

Social Security tax will never be less than zero.

Table B3: Business/Farm Net Worth Adjustment

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$110,000	40% of net worth of business/farm
\$110,001 to \$330,000	\$ 44,000 + 50% of net worth over \$110,000
\$330,001 to \$550,000	\$154,000 + 60% of net worth over \$330,000
\$550,001 or more	\$286,000 + 100% of net worth over \$550,000

**Table B4
Asset Protection Allowance**

Age of student as of 12/31/08*	Allowance for—	
	Married Student	Unmarried Student
25 or less....	\$0	\$0
26	2,600	1,100
27	5,100	2,100
28	7,700	3,200
29	10,200	4,300
30	12,800	5,300
31	15,400	6,400
32	17,900	7,500
33	20,500	8,500
34	23,000	9,600
35	25,600	10,700
36	28,200	11,700
37	30,700	12,800
38	33,300	13,900
39	35,800	14,900
40	38,400	16,000
41	39,300	16,400
42	40,300	16,700
43	41,300	17,100
44	42,300	17,600
45	43,400	17,900
46	44,500	18,300
47	45,600	18,800
48	46,700	19,200
49	47,900	19,700
50	49,000	20,100
51	50,500	20,500
52	51,800	21,000
53	53,300	21,500
54	54,600	22,100
55	56,300	22,600
56	57,600	23,200
57	59,300	23,700
58	61,100	24,400
59	62,900	25,000
60	64,700	25,700
61	66,600	26,300
62	68,500	27,000
63	70,800	27,800
64	72,800	28,500
65 or over ..	75,200	29,300

*Determine student's age as of 12/31/08 from student's date of birth (FAFSA/SAR #9).

This page left blank intentionally.

2008-2009 EFC FORMULA C: INDEPENDENT STUDENT
With Dependent(s) Other than a Spouse



STUDENT/SPOUSE INCOME IN 2007	
1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
2. a. Student's income earned from work (FAFSA/SAR#38)	
2. b. Spouse's income earned from work (FAFSA/SAR#39) +	
Total student/spouse income earned from work =	
3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR#40)	
• Total from FAFSA Worksheet B (FAFSA/SAR#41) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #42) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table C1) If negative, enter zero. +	
10. Student's Social Security tax (Table C2) +	
11. Spouse's Social Security tax (Table C2) +	
12. Income protection allowance (Table C3) +	
13. Employment expense allowance:	
• Student and spouse both working: 35% of the lesser of the earned incomes, or \$3,300, whichever is less	
• One-parent families: 35% of earned income, or \$3,300, whichever is less	
• Student or spouse working (not both): zero +	
14. TOTAL ALLOWANCES =	

AVAILABLE INCOME	
TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14) -	
15. AVAILABLE INCOME (AI) May be a negative number. =	

STUDENT'S/SPOUSE'S CONTRIBUTION FROM ASSETS	
16. Cash, savings & checking (FAFSA/SAR #43)	
17. Net worth of investments** (FAFSA/SAR#44) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR#45) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table C4.) +	
20. Net worth (sum of lines 16, 17, and 19) =	
21. Asset protection allowance (Table C5) -	
22. Discretionary net worth (line 20 minus line 21) =	
23. Asset conversion rate ×	.07
24. CONTRIBUTION FROM ASSETS If negative, enter zero.	

EXPECTED FAMILY CONTRIBUTION	
AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTION FROM ASSETS (from line 24) +	
25. Adjusted Available Income (AAI) May be a negative number. =	
26. Total contribution from AAI (Calculate using Table C6.) If negative, enter zero.	
27. Number in college in 2008-2009 (FAFSA/SAR#91) ÷	
28. EXPECTED FAMILY CONTRIBUTION for nine month enrollment. If negative, enter zero.***	

**Do not include the student's home.

***To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 28 above).

*STOP HERE if the following are true: line 3 is \$20,000 or less and either the student (and the student's spouse, if any) are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040), or they are not required to file any income tax return, or anyone included in the student's household size (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs. If these circumstances are true, the student's Expected Family Contribution is automatically zero.

Note: Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months		
Expected Family Contribution (standard contribution for nine-month enrollment, from line 28)		
Divide by 9	÷	9
Expected Family Contribution per month	=	
Multiply by number of months of enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet C, line 28).

2008-2009 EFC FORMULA C: INDEPENDENT STUDENT
With Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2007	
1. Student's and spouse's Adjusted Gross Income (FAFSA/SAR #35) If negative, enter zero.	
2. a. Student's income earned from work (FAFSA/SAR#38)	
2. b. Spouse's income earned from work (FAFSA/SAR#39) +	
Total student/spouse income earned from work =	
3. Student/spouse Taxable Income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Untaxed income and benefits:	
• Total from FAFSA Worksheet A (FAFSA/SAR#40)	
• Total from FAFSA Worksheet B (FAFSA/SAR#41) +	
Total untaxed income and benefits =	
5. Taxable and untaxed income (sum of line 3 and line 4)	
6. Total from FAFSA Worksheet C (FAFSA/SAR #42) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME	
8. 2007 U.S. income tax paid (FAFSA/SAR #36) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table C1) If negative, enter zero. +	
10. Student's Social Security tax (Table C2) +	
11. Spouse's Social Security tax (Table C2) +	
12. Income protection allowance (Table C3) +	
13. Employment expense allowance:	
• Student and spouse both working: 35% of the lesser of the earned incomes, or \$3,300, whichever is less	
• One-parent families: 35% of earned income, or \$3,300, whichever is less	
• Student or spouse working (not both): zero +	
14. TOTAL ALLOWANCES =	

*STOP HERE if the following are true: line 3 is \$20,000 or less **and either** the student (and the student's spouse, if any) are eligible to file a 2007 IRS Form 1040A or 1040EZ (they are not required to file a 2007 Form 1040), or they are not required to file any income tax return, **or** anyone included in the student's household (as defined on the FAFSA) received benefits during the base year from any of the designated means-tested Federal benefit programs. If these circumstances are true, the student's Expected Family Contribution is automatically zero.

AVAILABLE INCOME	
TOTAL INCOME (from line 7)	
TOTAL ALLOWANCES (from line 14) -	
15. AVAILABLE INCOME (AI) May be a negative number. =	

STUDENT/SPOUSE'S CONTRIBUTION FROM ASSETS	
16. Cash, savings & checking (FAFSA/SAR #43)	
17. Net worth of investments** (FAFSA/SAR#44) If negative, enter zero.	
18. Net worth of business and/or investment farm (FAFSA/SAR#45) If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table C4.) +	
20. Net worth (sum of lines 16, 17, and 19) =	
21. Asset protection allowance (Table C5) -	
22. Discretionary net worth (line 20 minus line 21) =	
23. Asset conversion rate ×	.07
24. CONTRIBUTION FROM ASSETS If negative, enter zero.	

EXPECTED FAMILY CONTRIBUTION	
AVAILABLE INCOME (AI) (from line 15)	
CONTRIBUTIONS FROM ASSETS (from line 24) +	
25. Adjusted available income (AAI) May be a negative number. =	
26. Total contribution from AAI (Calculate using Table C6.) If negative, enter zero.	
27. Number in college in 2008-2009 (FAFSA/SAR#91) ÷	
28. EXPECTED FAMILY CONTRIBUTION for nine month enrollment. If negative, enter zero.***	

**Do not include the student's home.

***To calculate the EFC for less than nine-month enrollment, see the next page. If the student is enrolled for more than nine months, use the nine-month EFC (line 28 above).

Note: Do not complete the shaded areas; asset information is not required in the simplified formula.

Note: Use this additional page to prorate the EFC only if the student will be enrolled for less than nine months and only to determine the student's need for campus-based aid, a subsidized Federal Stafford Loan, a subsidized Federal Direct Stafford/Ford Loan, an ACG or a National SMART Grant. Do not use this page to prorate the EFC for a Federal Pell Grant. The EFC for the Federal Pell Grant Program is the nine-month EFC used in conjunction with the cost of attendance to determine a Federal Pell Grant award from the Payment or Disbursement Schedule.

Calculation of Expected Family Contribution for a Student Enrolled for Less than Nine Months

Expected Family Contribution (standard contribution for nine-month enrollment, from line 28)		
Divide by 9	÷	9
Expected Family Contribution per month	=	
Multiply by number of months enrollment	×	
Expected Family Contribution for less than nine-month enrollment*	=	

*Substitute the student's EFC for less than nine-month enrollment in place of the EFC for the standard nine-month enrollment (EFC Formula Worksheet C, line 28).

Table C1: State and Other Tax Allowance

STATE	PERCENT OF TOTAL INCOME		STATE	PERCENT OF TOTAL INCOME	
	\$0-\$14,999	\$15,000 or more		\$0-\$14,999	\$15,000 or more
Alabama	3%	2%	Missouri	5%	4%
Alaska	2%	1%	Montana	5%	4%
American Samoa	3%	2%	Nebraska	5%	4%
Arizona	4%	3%	Nevada	3%	2%
Arkansas	4%	3%	New Hampshire	5%	4%
California	7%	6%	New Jersey	8%	7%
Canada and Canadian Provinces	3%	2%	New Mexico	4%	3%
Colorado	4%	3%	New York	9%	8%
Connecticut	7%	6%	North Carolina	6%	5%
Delaware	4%	3%	North Dakota	2%	1%
District of Columbia	7%	6%	Northern Mariana Islands	3%	2%
Federated States of Micronesia	3%	2%	Ohio	6%	5%
Florida	3%	2%	Oklahoma	6%	5%
Georgia	6%	5%	Oregon	7%	6%
Guam	3%	2%	Palau	3%	2%
Hawaii	4%	3%	Pennsylvania	5%	4%
Idaho	5%	4%	Puerto Rico	3%	2%
Illinois	5%	4%	Rhode Island	7%	6%
Indiana	4%	3%	South Carolina	5%	4%
Iowa	5%	4%	South Dakota	2%	1%
Kansas	5%	4%	Tennessee	2%	1%
Kentucky	5%	4%	Texas	3%	2%
Louisiana	3%	2%	Utah	5%	4%
Maine	6%	5%	Vermont	5%	4%
Marshall Islands	3%	2%	Virgin Islands	3%	2%
Maryland	7%	6%	Virginia	5%	4%
Massachusetts	6%	5%	Washington	4%	3%
Mexico	3%	2%	West Virginia	3%	2%
Michigan	5%	4%	Wisconsin	7%	6%
Minnesota	6%	5%	Wyoming	2%	1%
Mississippi	4%	3%	Blank or Invalid State	3%	2%
			OTHER	3%	2%

Multiply the total income of student and spouse (EFC Formula Worksheet C, line 7) by the appropriate rate from the table above to get the “state and other tax allowance” (EFC Formula Worksheet C, line 9). Use the student’s State of Legal Residence (FAFSA/SAR #18) reported on the FAFSA. If this item is blank or invalid, use the State in the Student’s Mailing Address (FAFSA/SAR #6). If both items are blank or invalid, use the rate for blank or invalid state above.

Table C2: Social Security Tax

Calculate separately the Social Security tax of student and spouse.

Income Earned from Work*	Social Security Tax
\$0 - \$97,500	7.65% of income
\$97,501 or greater	\$7,458.75 + 1.45% of amount over \$97,500

*Student's 2007 income earned from work is FAFSA/SAR #38.

Spouse's 2007 income earned from work is FAFSA/SAR #39.

Social Security tax will never be less than zero.

Table C3: Income Protection Allowance

Number in student's household, including student (FAFSA/SAR #90)	Number of college students in household (FAFSA/SAR #91)				
	1	2	3	4	5
2	\$15,750	\$13,060	————	————	————
3	19,610	16,930	\$14,240	————	————
4	24,220	21,530	18,850	\$16,150	————
5	28,580	25,880	23,200	20,510	\$17,830
6	33,420	30,730	28,060	25,350	22,680

Note: For each additional family member, add \$3,770.
For each additional college student, subtract \$2,680.

Table C4: Business/Farm Net Worth Adjustment

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$110,000	40% of net worth of business/farm
\$110,001 to \$330,000	\$ 44,000 + 50% of net worth over \$110,000
\$330,001 to \$550,000	\$154,000 + 60% of net worth over \$330,000
\$550,001 or more	\$286,000 + 100% of net worth over \$550,000

Table C5: Asset Protection Allowance

Age of student as of 12/31/08*	Allowance for—		Age of student as of 12/31/08*	Allowance for—	
	Married Student	Unmarried Student		Married Student	Unmarried Student
25 or less ...	\$0	\$0	45	\$43,400	\$17,900
26	2,600	1,100	46	44,500	18,300
27	5,100	2,100	47	45,600	18,800
28	7,700	3,200	48	46,700	19,200
29	10,200	4,300	49	47,900	19,700
30	12,800	5,300	50	49,000	20,100
31	15,400	6,400	51	50,500	20,500
32	17,900	7,500	52	51,800	21,000
33	20,500	8,500	53	53,300	21,500
34	23,000	9,600	54	54,600	22,100
35	25,600	10,700	55	56,300	22,600
36	28,200	11,700	56	57,600	23,200
37	30,700	12,800	57	59,300	23,700
38	33,300	13,900	58	61,100	24,400
39	35,800	14,900	59	62,900	25,000
40	38,400	16,000	60	64,700	25,700
41	39,300	16,400	61	66,600	26,300
42	40,300	16,700	62	68,500	27,000
43	41,300	17,100	63	70,800	27,800
44	42,300	17,600	64	72,800	28,500
			65 or over ..	75,200	29,300

*Determine student's age as of 12/31/08 from student's date of birth (FAFSA/SAR #9)

Table C6: Contribution from AAI

If student's AAI is—	The student's contribution from AAI is—
Less than -\$3,409	-\$750
-\$3,409 to \$13,700	22% of AAI
\$13,701 to \$17,300	\$3,014 + 25% of AAI over \$13,700
\$17,301 to \$20,800	\$3,914 + 29% of AAI over \$17,300
\$20,801 to \$24,300	\$4,929 + 34% of AAI over \$20,800
\$24,301 to \$27,800	\$6,119 + 40% of AAI over \$24,300
\$27,801 or more	\$7,519 + 47% of AAI over \$27,800