THE EFC FORMULA, 2021–2022

What is the EFC?

The Expected Family Contribution (EFC) is a number that determines students' eligibility for certain types of federal student aid. This number is calculated with the EFC formulas, which use the information that students provide on the Free Application for Federal Student Aid (FAFSA®). Financial aid administrators (FAAs) subtract the EFC from students' cost of attendance to determine their need for the following federal student financial assistance offered by the U.S. Department of Education (the Department):

•   Federal Pell Grants,

•   Subsidized Loans through the William D. Ford Federal Direct Loan Program,

•   Federal Supplemental Educational Opportunity Grants (FSEOG), and

•   Federal Work-Study (FWS).

The Teacher Education Assistance for College and Higher Education Grant (TEACH Grant) is a non-need-based federal program for which a student must also use the FAFSA to apply.

The methodology for determining the EFC is found in Part F of Title IV of the Higher Education Act of 1965, as amended (HEA). Tables used in the computation of the EFC for the 2021–2022 Award Year were published in the June 5, 2020 *Federal Register* (ifap.ed.gov/sites/default/files/attachments/2020-06/FR060520.pdf) (85 FR 34605).

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 FAFSA. A student may submit a FAFSA:

•   by using FAFSA on the Web,
•   by using the myStudentAid mobile application,
•   by filing an application electronically through a school, or
•   by mailing a 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, but to be considered for non-federal aid (such as institutional aid), students may have to fill out additional forms, which might require fees.

We encourage applicants to complete the FAFSA electronically, because there are edits that reduce applicant errors and customize the questions presented based on answers to prior questions. The electronic version also contains additional instructions and help features and allows the Department to send results to the students and schools more quickly.

Who processes the FAFSA, and how are students notified of their EFC?

The CPS receives the student's FAFSA 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 application and indicates whether the application was complete and signed. If the application is complete and signed and there are no data conflicts, the SAR also includes the student's EFC. Students are instructed to carefully check the accuracy of the information on the SAR. 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 formulas and a simplified version of each:

- Formula A, for dependent students;
- Formula B, for independent students **without** dependents other than a spouse; and
- Formula C, for independent students **with** dependents other than a spouse.

The simplified versions of the EFC formula worksheets do not use assets in the calculation. See pages 4 and 5 for information on which students qualify for the simplified formulas. Instructions for determining which applicants 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.

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 2021–2022 Award Year, a student is automatically determined to be independent for federal student aid purposes if he or she meets one or more of the following criteria:

- The student was born before January 1, 1998.

- The student is married or separated (but not divorced) as of the date of the application.

- At the beginning of the 2021–2022 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.).

- The 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 purposes other than training.

- The student is a veteran of the U.S. Armed Forces (see the definition in the box on page 4).

- The student has or will have one or more children who receive more than half of their support from him or her between July 1, 2021, and June 30, 2022.

- The student has dependent(s) (other than children or spouse) who live with him or her and who receive more than half of their support from the student, now and through June 30, 2022.

- At any time since the student turned age 13, both of the student's parents were deceased, or the student was in foster care or was a dependent or ward of the court.

- As determined by a court in the student's state of legal residence, the student is now, or was upon reaching the age of majority, an emancipated minor (that is, released from control by his or her parent or guardian).

- As determined by a court in the student's state of legal residence, the student is now, or was upon reaching the age of majority, in legal guardianship.

- On or after July 1, 2020, the student was determined by a high school or school district homeless liaison to be an unaccompanied youth who was homeless or was self-supporting and at risk of being homeless.

- On or after July 1, 2020, the student was determined by the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development to be an unaccompanied youth who was homeless or was self-supporting and at risk of being homeless.

- At any time on or after July 1, 2020, the student was determined by a director of a runaway or homeless youth basic center or transitional living program to be an unaccompanied youth who was homeless or was self-supporting and at risk of being homeless.

- The student is determined by the college financial aid administrator to be an unaccompanied youth who is homeless or is self-supporting and at risk of being homeless.

For students who do not meet any of the above criteria but who have documented unusual circumstances, an FAA can override their dependency status from dependent to independent. For information about dependency overrides, see the Application and Verification Guide, which is part of the Federal Student Aid Handbook and can be found on the IFAP Web site.

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 2021–2022 Award Year, a **dependent** student qualifies for the simplified EFC formula if both (1), below, and (2), on the next page, are true:

(1) Anyone included in the **parents'** household size (as defined on the FAFSA) received benefits during 2019 or 2020 from any of the designated means-tested federal benefit programs: the Medicaid Program, the Supplemental Security Income (SSI) Program, the Supplemental Nutrition Assistance Program (SNAP), the Free and Reduced Price School Lunch Program, the Temporary Assistance for Needy Families (TANF) Program[1], and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC);

   OR

   the student's **parents**:

   •   filed a 2019 IRS Form 1040, but did not file a Schedule 1[2],

   •   filed a tax form from a Trust Territory[3], or

   •   were not required to file any income tax return;

   OR

   the student's **parent** is a dislocated worker.

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[1] The TANF Program may have a different name in the student's or student's parents' state.

[2] Applicants may also qualify if they only filed a Schedule 1 to report the following additions or adjustments to income: unemployment compensation, educator expenses, IRA deduction, student loan interest deduction, Alaska Permanent Fund dividend, or virtual currency.

[3] For qualifying for the simplified or automatic zero EFC calculations, the following 2019 income tax forms are considered for a Trust Territory: 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.

AND

(2)   The combined 2019 income of the student's **parents** is $49,999 or less.

- For tax filers, use the parents' adjusted gross income from the tax return to determine if income is $49,999 or less.

- For non-tax filers, use the income shown on the 2019 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 2021–2022 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 2019 or 2020 from any of the designated means-tested federal benefit programs: the Medicaid Program, the SSI Program, SNAP, the Free and Reduced Price School Lunch Program, the TANF Program[4], and WIC;

OR

the student and student's spouse (if the student is married) **both**

- filed a 2019 IRS Form 1040, but did not file a Schedule 1[5],

- filed a tax form from a Trust Territory[6], or

- were not required to file any income tax return;

OR

the student (or the student's spouse, if any) is a dislocated worker.

AND

(2)   The student's (and spouse's) combined 2019 income is $49,999 or less.

- For tax filers, use the student's (and spouse's) adjusted gross income from the tax return to determine if income is $49,999 or less.

- For non-tax filers, use the income shown on the student's (and spouse's) 2019 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. The requirements for receiving an automatic zero EFC are the same as those for the simplified EFC calculation except for these differences:

- The income threshold for the parents of dependent students and for independent students and their spouses is $27,000 or less (for an automatic zero EFC) instead of $49,999 or less (for the simplified EFC calculation), and

- For independent students, those without dependents other than a spouse cannot receive an automatic zero EFC.

New for 2021-2022: The income threshold for an automatic zero EFC increased to $27,000 for the 2021-2022 Award Year.

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[4] See note 1 on page 4.

[5] See note 2 on page 4.

[6] See note 3 on page 4.

For the 2021–2022 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 2019 or 2020 from any of the designated means-tested federal benefit programs: the Medicaid Program, the SSI Program, SNAP, the Free and Reduced Price School Lunch Program, the TANF Program[7], and WIC;

OR

the student's **parents**:

- filed a 2019 IRS Form 1040, but did not file a Schedule 1[8],

- filed a tax form from a Trust Territory[9], or

- were not required to file any income tax return;

OR

the student's **parent** is a dislocated worker.

AND

(2) The combined 2019 income of the student's **parents** is $27,000 or less.

- For tax filers, use the parents' adjusted gross income from the tax return to determine if income is $27,000 or less.

- For non-tax filers, use the income shown on the 2019 W-2 forms of both parents (plus any other earnings from work not included on the W-2s) to determine if income is $27,000 or less.

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

(1) Anyone included in the **student's** household size (as defined on the FAFSA) received benefits during 2019 or 2020 from any of the designated means-tested federal benefit programs: the Medicaid Program, the SSI Program, SNAP, the Free and Reduced Price School Lunch Program, the TANF Program[10], and WIC;

OR

the student and student's spouse (if the student is married) ***both***

- filed a 2019 IRS Form 1040, but did not file a Schedule 1[11],

- filed a tax form from a Trust Territory[12], or

- were not required to file any income tax return;

OR

the student (or the student's spouse, if any) is a dislocated worker.

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[7] See note 1 on page 4.
[8] See note 2 on page 4.
[9] See note 3 on page 4.
[10] See note 1 on page 4.
[11] See note 2 on page 4.
[12] See note 3 on page 4.

AND

(2)   The student's (and spouse's) combined 2019 income is $27,000 or less.

•   For tax filers, use the student's (and spouse's) adjusted gross income from the tax return to determine if income is $27,000 or less.

•   For non-tax filers, use the income shown on the student's (and spouse's) 2019 W-2 forms (plus any other earnings from work not included on the W-2s) to determine if income is $27,000 or less.

Note: An **independent student without dependents other than a spouse** is not eligible for an automatic zero EFC.

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.

WORKSHEETS AND TABLES

New for 2021-2022 – In an effort to simplify the guide, the tables were combined and moved to follow the worksheets at the end of the document.

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

2021–2022 EFC FORMULA A: DEPENDENT STUDENT

PARENTS' INCOME IN 2019

1. Parents' adjusted gross income (FAFSA/SAR #84) If negative, enter zero.	
2. a. Parent 1 (father/mother/stepparent) income earned from work (FAFSA/SAR #86) _____	
2. b. Parent 2 (father/mother/stepparent) income earned from work (FAFSA/SAR #87) + _____	
Total parents' income earned from work =	
3. Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4. Total untaxed income and benefits: (total of FAFSA/SAR #92a through 92h) +	
5. Taxable and untaxed income (sum of line 3 and line 4) =	
6. Total additional financial information (total of FAFSA/SAR #91a through 91f) −	
7. **TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST PARENTS' INCOME

8. 2019 U.S. income tax paid (FAFSA/SAR #85) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table 1) If negative, enter zero. +	
10. Parent 1 (father/mother/stepparent) Social Security tax allowance (Table 3) +	
11. Parent 2 (father/mother/stepparent) Social Security tax allowance (Table 3) +	
12. Income protection allowance (Table 4) +	
13. Employment expense allowance: • Two working parents (Parents' Marital Status is "married" or "unmarried and both parents living together"): 35% of the lesser of the earned incomes, or $4,000, whichever is less • One-parent families: 35% of earned income, or $4,000, whichever is less • Two-parent families, one working parent: enter zero +	
14. **TOTAL ALLOWANCES** =	

*STOP HERE (at line 3) if the following are true:

Line 3 is $27,000 or less **and**

- The parents did not file a Schedule 1 with their IRS 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 2019 or 2020 from any of the designated means-tested federal benefit programs **or**
- Either of the parents is a dislocated worker.

If these circumstances are true, the 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. =	

PARENTS' CONTRIBUTION FROM ASSETS

16. Cash, savings, and checking (FAFSA/SAR #88)	
17. Net worth of investments** (FAFSA/SAR #89) If negative, enter zero. +	
18. Net worth of business and/or investment farm (FAFSA/SAR #90) + If negative, enter zero.	
19. Adjusted net worth of business/farm (Calculate using Table 6.) +	
20. Net worth (sum of lines 16, 17, and 19) =	
21. Education savings and asset protection allowance (Table 7) −	
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 8.) If negative, enter zero.	
27. Number in college in 2021–2022 (Exclude parents.) (FAFSA/SAR #73) ÷	
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.

STUDENT'S INCOME IN 2019

29.	Adjusted gross income (FAFSA/SAR #36) If negative, enter zero.	
30.	Income earned from work (FAFSA/SAR #38)	
31.	Taxable income (If tax filer, enter the amount from line 29 above. If non-tax filer, enter the amount from line 30.)	
32.	Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
33.	Taxable and untaxed income (sum of line 31 and line 32) =	
34.	Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
35.	**TOTAL INCOME** (line 33 minus line 34) = May be a negative number.	

ALLOWANCES AGAINST STUDENT INCOME

36.	2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
37.	State and other tax allowance (Table 2) If negative, enter zero. +	
38.	Social Security tax allowance (Table 3) +	
39.	Income protection allowance +	**6,970**
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, and checking (FAFSA/SAR #40)	
46.	Net worth of investments* (FAFSA/SAR #41) If negative, enter zero +	
47.	Net worth of business and/or investment farm (FAFSA/SAR #42) 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 or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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	+	**5,380**
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table 8)		
B5. Number in college (FAFSA/SAR #73)	÷	
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 exceeds nine	×	
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: • 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: • 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 • Enter amount from line 50.	+	
Expected Family Contribution for periods of enrollment other than nine months	=	

2021–2022 EFC FORMULA A: DEPENDENT STUDENT

PARENTS' INCOME IN 2019

1.	Parents' adjusted gross income (FAFSA/SAR #84) If negative, enter zero.	
2. a.	Parent 1 (father/mother/stepparent) income earned from work (FAFSA/SAR #86) _____	
2. b.	Parent 2 (father/mother/stepparent) income earned from work (FAFSA/SAR #87) + _____	
	Total parents' income earned from work =	
3.	Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4.	Total untaxed income and benefits: (total of FAFSA/SAR #92a through 92h) +	
5.	Taxable and untaxed income (sum of line 3 and line 4) =	
6.	Total additional financial information (total of FAFSA/SAR #91a through 91f) −	
7.	**TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST PARENTS' INCOME

8.	2019 U.S. income tax paid (FAFSA/SAR #85) (tax filers only) If negative, enter zero.	
9.	State and other tax allowance (Table 1) If negative, enter zero. +	
10.	Parent 1 (father/mother/stepparent) Social Security tax allowance (Table 3) +	
11.	Parent 2 (father/mother/stepparent) Social Security tax allowance (Table 3) +	
12.	Income protection allowance (Table 4) +	
13.	Employment expense allowance: • Two working parents (Parents' Marital Status is "married" or "unmarried and both parents living together"): 35% of the lesser of the earned incomes, or $4,000, whichever is less • One-parent families: 35% of earned income, or $4,000, whichever is less • Two-parent families, one working parent: enter zero +	
14. TOTAL ALLOWANCES =		

*STOP HERE (at line 3) if the following are true:

Line 3 is $27,000 or less **and**

- The parents did not file a Schedule 1 with their IRS 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 2019 or 2020 from any of the designated means-tested federal benefit programs **or**
- Either of the parents is a dislocated worker.

If these circumstances are true, the 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. =	

PARENTS' CONTRIBUTION FROM ASSETS

16.	Cash, savings, and checking (FAFSA/SAR #88)	
17.	Net worth of investments** (FAFSA/SAR #89) If negative, enter zero. +	
18.	Net worth of business and/or investment farm (FAFSA/SAR #90) If negative, enter zero. +	
19.	Adjusted net worth of business/farm (Calculate using Table 6.) +	
20.	Net worth (sum of lines 16, 17, and 19) =	
21.	Education savings and asset protection allowance (Table 7) −	
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 8.) If negative, enter zero.	
27.	Number in college in 2021–2022 (Exclude parents.) (FAFSA/SAR #73) ÷	
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.

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

STUDENT'S INCOME IN 2019

29. Adjusted gross income (FAFSA/SAR #36) If negative, enter zero.	
30. Income earned from work (FAFSA/SAR #38)	
31. Taxable income (If tax filer, enter the amount from line 29 above. If non-tax filer, enter the amount from line 30.)	
32. Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
33. Taxable and untaxed income (sum of line 31 and line 32) =	
34. Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
35. TOTAL INCOME (line 33 minus line 34) = May be a negative number.	

ALLOWANCES AGAINST STUDENT INCOME

36. 2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.		
37. State and other tax allowance (Table 2) If negative, enter zero.	+	
38. Social Security tax allowance (Table 3)	+	
39. Income protection allowance	+	6,970
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, and checking (FAFSA/SAR #40)		
46. Net worth of investments* (FAFSA/SAR #41) If negative, enter zero	+	
47. Net worth of business and/or investment farm (FAFSA/SAR #42) If negative, enter zero.	+	
48. Net worth (sum of lines 45 through 47)	=	
49. Assessment rate	×	
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 or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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.*

SIMPLIFIED WORKSHEET Page 3 **A**

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	+	**5,380**
B3. Alternate parents' AAI for more than nine-month enrollment (line B1 + line B2)	=	
B4. Total parents' contribution from alternate AAI (calculate using Table 8)		
B5. Number in college (FAFSA/SAR #73)	÷	
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 nine	×	
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: • 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: • 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. +	
Expected Family Contribution for periods of enrollment other than nine months =	

2021–2022 EFC FORMULA B: INDEPENDENT STUDENT
Without Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2019

1.	Student's and spouse's adjusted gross income (FAFSA/SAR #36) 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.	Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)	
4.	Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
5.	Taxable and untaxed income (sum of line 3 and line 4) =	
6.	Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
7.	**TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8.	2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
9.	State and other tax allowance (Table 2) If negative, enter zero. +	
10.	Student's Social Security tax (Table 3) +	
11.	Spouse's Social Security tax (Table 3) +	
12.	Income protection allowance: • $10,840 for single, separated or divorced/widowed student; • $10,840 for married student if spouse is enrolled at least half time; • $17,380 for married student if spouse is not enrolled at least half 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 $4,000, 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, and checking (FAFSA/SAR #40)	
19.	Net worth of investments* (FAFSA/SAR #41) If negative, enter zero. +	
20.	Net worth of business and/or investment farm + (FAFSA/SAR #42) If negative, enter zero.	
21.	Adjusted net worth of business/farm (Calculate using Table 6.) +	
22.	Net worth (sum of lines 18, 19, and 21) =	
23.	Asset protection allowance (Table 7) −	
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 2021–2022 (FAFSA/SAR #94) ÷	
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 other than nine months and only to determine the student's need for Campus-Based aid or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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.*

<table>
<tr><td></td><td>REGULAR WORKSHEET Page 2</td><td>**B**</td></tr>
</table>

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 B Worksheet, line 29).

2021–2022 EFC FORMULA B: INDEPENDENT STUDENT
Without Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2019

1.	Student's and spouse's adjusted gross income (FAFSA/SAR #36) 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.	Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)	
4.	Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
5.	Taxable and untaxed income (sum of line 3 and line 4) =	
6.	Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
7.	**TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8.	2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
9.	State and other tax allowance (Table 2) If negative, enter zero. +	
10.	Student's Social Security tax (Table 3) +	
11.	Spouse's Social Security tax (Table 3) +	
12.	Income protection allowance:	

- $10,840 for single, separated or divorced/widowed student;
- $10,840 for married student if spouse is enrolled at least half time;
- $17,380 for married student if spouse is not enrolled at least half 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 $4,000, 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, and checking (FAFSA/SAR #40)	
19.	Net worth of investments* (FAFSA/SAR #41) + If negative, enter zero.	
20.	Net worth of business and/or investment farm (FAFSA/SAR #42) + If negative, enter zero.	
21.	Adjusted net worth of business/farm (Calculate using Table 6.) +	
22.	Net worth (sum of lines 18, 19, and 21) =	
23.	Asset protection allowance (Table 7) −	
24.	Discretionary net worth (line 22 minus line 23) =	
25.	Asset conversion rate ×	
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 2021–2022 (FAFSA/SAR #94) ÷	
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 other than nine months and only to determine the student's need for Campus-Based aid or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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.*

SIMPLIFIED WORKSHEET Page 2	B

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 B Worksheet, line 29.)

2021–2022 EFC FORMULA C: INDEPENDENT STUDENT
With Dependent(s) Other than a Spouse

STUDENT/SPOUSE INCOME IN 2019

1.	Student's and spouse's adjusted gross income (FAFSA/SAR #36) 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.	Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4.	Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
5.	Taxable and untaxed income (sum of line 3 and line 4) =	
6.	Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
7.	**TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8.	2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
9.	State and other tax allowance (Table 1) If negative, enter zero. +	
10.	Student's Social Security tax (Table 3) +	
11.	Spouse's Social Security tax (Table 3) +	
12.	Income protection allowance (Table 5) +	
13.	Employment expense allowance: • Student and spouse both working: 35% of the lesser of the earned incomes, or $4,000, whichever is less • One-parent families: 35% of earned income, or $4,000, 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, and checking (FAFSA/SAR #40)	
17.	Net worth of investments** (FAFSA/SAR #41) + If negative, enter zero.	
18.	Net worth of business and/or investment farm + (FAFSA/SAR #42) If negative, enter zero.	
19.	Adjusted net worth of business/farm (Calculate using Table 6.) +	
20.	**Net worth** (sum of lines 16, 17, and 19) =	
21.	Asset protection allowance (Table 7) −	
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 8.) If negative, enter zero.	
27.	Number in college in 2021–2022 (FAFSA/SAR #94) ÷	
28.	**EXPECTED FAMILY CONTRIBUTION** for nine-month enrollment. If negative, enter zero.*** =	

*STOP HERE (at line 3) if the following are true:

Line 3 is $27,000 or less **and**

- The student (and the student's spouse, if any) did not file a Schedule 1 with their IRS 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 2019 or 2020 from any of the designated means-tested federal benefit programs **or**
- The student (or the student's spouse, if any) is a dislocated worker.

If these circumstances are true, the Expected Family Contribution is automatically 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: *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 or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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.*

REGULAR WORKSHEET Page 2 — C

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 C Worksheet, line 28).

STUDENT/SPOUSE INCOME IN 2019

1.	Student's and spouse's adjusted gross income (FAFSA/SAR #36) 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.	Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	
4.	Total untaxed income and benefits (total of FAFSA/SAR #44a through 44i) +	
5.	Taxable and untaxed income (sum of line 3 and line 4) =	
6.	Total additional financial information (total of FAFSA/SAR #43a through 43f) −	
7.	**TOTAL INCOME** (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST STUDENT/SPOUSE INCOME

8.	2019 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.	
9.	State and other tax allowance (Table 1) If negative, enter zero. +	
10.	Student's Social Security tax (Table 3) +	
11.	Spouse's Social Security tax (Table 3) +	
12.	Income protection allowance (Table 5) +	
13.	Employment expense allowance: • Student and spouse both working: 35% of the lesser of the earned incomes, or $4,000, whichever is less • One-parent families: 35% of earned income, or $4,000, whichever is less • Student or spouse working (not both): zero +	
14.	**TOTAL ALLOWANCES** =	

*STOP HERE (at line 3) if the following are true:

Line 3 is $27,000 or less **and**

- The student (and the student's spouse, if any) did not file a Schedule 1 with their IRS 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 2019 or 2020 from any of the designated means-tested federal benefit programs **or**
- The student (or the student's spouse, if any) is a dislocated worker.

If these circumstances are true, the 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'S/SPOUSE'S CONTRIBUTION FROM ASSETS

16.	Cash, savings, and checking (FAFSA/SAR #40)	
17.	Net worth of investments** (FAFSA/SAR #41) If negative, enter zero. +	
18.	Net worth of business and/or investment farm (FAFSA/SAR #42) If negative, enter zero. +	
19.	Adjusted net worth of business/farm (Calculate using Table 6.) +	
20.	Net worth (sum of lines 16, 17, and 19) =	
21.	Asset protection allowance (Table 7) −	
22.	Discretionary net worth (line 20 minus line 21) =	
23.	Asset conversion rate ×	
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 8.) If negative, enter zero.	
27.	Number in college in 2021–2022 (FAFSA/SAR #94) ÷	
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 other than nine months and only to determine the student's need for Campus-Based aid or a Federal Direct Subsidized Loan. Do not use this page to prorate the EFC for a Federal Pell Grant or TEACH 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.*

SIMPLIFIED WORKSHEET Page 2	**C**

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 C Worksheet, line 28).

Table 1: State and Other Tax Allowance

EFC Formula A (parents only) – To calculate the state and other tax allowance (line 9), multiply the parents' total income (line 7) by the appropriate percentage from the table below. Use the parents' state of legal residence (FAFSA/SAR #69). 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 percentage for a blank or invalid state below.

EFC Formula C – To calculate the state and other tax allowance (line 9), multiply the total income of the student and spouse (line 7) by the appropriate percentage from the table below. 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 percentage for a blank or invalid state above.

State	Total Income is $0-$14,999*	Total Income is $15,000 or more*	State	Total Income is $0-$14,999*	Total Income is $15,000 or more*
Alabama	3%	2%	Montana	5%	4%
Alaska	2%	1%	Nebraska	5%	4%
American Samoa	2%	1%	Nevada	3%	2%
Arizona	4%	3%	New Hampshire	4%	3%
Arkansas	4%	3%	New Jersey	9%	8%
California	9%	8%	New Mexico	3%	2%
Canada and Canadian Provinces	2%	1%	New York	10%	9%
Colorado	4%	3%	North Carolina	5%	4%
Connecticut	9%	8%	North Dakota	2%	1%
Delaware	5%	4%	Northern Mariana Islands	2%	1%
District of Columbia	7%	6%	Ohio	5%	4%
Federated States of Micronesia	2%	1%	Oklahoma	3%	2%
Florida	3%	2%	Oregon	7%	6%
Georgia	5%	4%	Palau	2%	1%
Guam	2%	1%	Pennsylvania	5%	4%
Hawaii	5%	4%	Puerto Rico	2%	1%
Idaho	5%	4%	Rhode Island	6%	5%
Illinois	6%	5%	South Carolina	4%	3%
Indiana	4%	3%	South Dakota	2%	1%
Iowa	5%	4%	Tennessee	2%	1%
Kansas	4%	3%	Texas	3%	2%
Kentucky	5%	4%	Utah	5%	4%
Louisiana	3%	2%	Vermont	6%	5%
Maine	6%	5%	Virgin Islands	2%	1%
Marshall Islands	2%	1%	Virginia	6%	5%
Maryland	8%	7%	Washington	3%	2%
Massachusetts	7%	6%	West Virginia	3%	2%
Mexico	2%	1%	Wisconsin	6%	5%
Michigan	5%	4%	Wyoming	2%	1%
Minnesota	7%	6%	Blank or Invalid State	2%	1%
Mississippi	3%	2%	Other	2%	1%
Missouri	5%	4%			

* Percent of Total Income – The percentage varies according to the state and if the total income is below $15,000 or is $15,000 or more.

Table 2: State and Other Tax Allowance

EFC Formula A (student only) – To calculate the state and other tax allowance (line 37), multiply the student's total income (line 35) by the appropriate percentage from the table below. Use the student's state of legal residence (FAFSA/SAR #18). If this item is blank or invalid, use the student's mailing address (FAFSA/SAR #6). If both items are blank or invalid, use the parents's state of legal residence (FAFSA/SAR #69). If all three items are blank or invalid, use the percentage for a blank or invalid state below.

EFC Formula B – To calculate the state and other tax allowance (line 9), multiply the total income of the student and spouse (line 7) by the appropriate percentage from the table below. 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 percentage for a blank or invalid state above.

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

Table 3: Social Security Tax

EFC Formula A – Separately calculate the Social Security tax of parent 1, parent 2, and the student.

EFC Formulas B and C – Separately calculate the Social Security tax of the student and spouse.

Separately calculate the Social Security tax using the following income earned from work fields found on the FAFSA and SAR:

- Student's is FAFSA/SAR #38.
- Spouse's is FAFSA/SAR #39.
- Parent 1 (father/mother/stepparent) is FAFSA/SAR #86.
- Parent 2 (father/mother/stepparent) is FAFSA/SAR #87.

Note: The Social Security tax will never be less than zero.

Income Earned from Work	Social Security Tax
$0 – $132,900	7.65% of income
$132,901 to $200,000	$10,166.85 + 1.45% of amount over $132,900
$200,001 or greater	$11,139.80 + 2.35% of amount over $200,000

Table 4: Income Protection Allowance

EFC Formula A

Number in parents' household, including student (FAFSA/SAR #72)	Number of college students in the household (FAFSA/SAR #73)				
	1	2	3	4	5
2	$19,440	$16,110	not applicable	not applicable	not applicable
3	$24,200	$20,900	$17,570	not applicable	not applicable
4	$29,890	$26,570	$23,260	$19,930	not applicable
5	$35,270	$31,940	$28,640	$25,310	$22,000
6	$41,250	$37,930	$34,620	$31,300	$27,990

Note: For each additional household member, add $4,660.
For each additional college student (except parents), subtract $3,310.

Table 5: Income Protection Allowance

EFC Formula C

Number in student's household, including student (FAFSA/SAR #93)	Number of college students in the household (FAFSA/SAR #94)				
	1	2	3	4	5
2	$27,450	$22,760	not applicable	not applicable	not applicable
3	$34,180	$29,510	$24,810	not applicable	not applicable
4	$42,200	$37,520	$32,850	$28,150	not applicable
5	$49,800	$45,100	$40,430	$35,750	$31,080
6	$58,240	$53,550	$48,900	$44,180	$39,520

Note: For each additional household member, add $6,580.
For each additional college student, subtract $4,670.

Table 6: Business/Farm Net Worth Adjustment

EFC Formulas A (parents only), B, and C

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than $1	$0
$1 to $140,000	40% of net worth of business/farm
$140,001 to $415,000	$56,000 + 50% of net worth over $140,000
$415,001 to $695,000	$193,500 + 60% of net worth over $415,000
$695,001 or more	$361,500 + 100% of net worth over $695,000

Table 7: Education Savings and Asset Protection Allowance

EFC Formula A (parents only)

- Determine the age of the older parent listed in FAFSA/SAR #63 and #67 as of 12/31/2021. If no parent date of birth is provided, use age 45.

- Use the allowance for two parents when the parents' marital status listed in FAFSA/SAR #58 is "Married or remarried" or "Unmarried and both legal parents living together."

EFC Formulas B and C – Determine the student's age as of 12/31/2021 from the student's date of birth (FAFSA/SAR #9)

Age as of 12/31/2021	Allowance for two parents or married student	Allowance for one parent or unmarried student	Age as of 12/31/2021	Allowance for two parents or married student	Allowance for one parent or unmarried student
25 or less	$0	$0	46	$6,300	$2,400
26	400	100	47	6,500	2,500
27	700	300	48	6,600	2,500
28	1,100	400	49	6,800	2,600
29	1,500	600	50	7,000	2,700
30	1,800	700	51	7,100	2,700
31	2,200	800	52	7,300	2,800
32	2,600	1,000	53	7,500	2,900
33	2,900	1,100	54	7,700	2,900
34	3,300	1,300	55	7,900	3,000
35	3,700	1,400	56	8,100	3,100
36	4,000	1,500	57	8,400	3,100
37	4,400	1,700	58	8,600	3,200
38	4,800	1,800	59	8,800	3,300
39	5,100	2,000	60	9,100	3,400
40	5,500	2,100	61	9,300	3,500
41	5,600	2,200	62	9,600	3,600
42	5,700	2,200	63	9,900	3,700
43	5,900	2,300	64	10,200	3,800
44	6,000	2,300	65 or older	10,500	3,900
45	6,200	2,400			

Table 8: Contribution from AAI

EFC Formula A – Parents' Contribution from AAI
EFC Formula C – Student's Contribution from AAI

If the AAI is —	Then the contribution from AAI is—
Less than -$3,409	-$750
$-3,409 to $17,400	22% of AAI
$17,401 to $21,800	$3,828 + 25% of AAI over $17,400
$21,801 to $26,200	$4,928 + 29% of AAI over $21,800
$26,201 to $30,700	$6,204 + 34% of AAI over $26,200
$30,701 to $35,100	$7,734 + 40% of AAI over $30,700
$35,101 or more	$9,494 + 47% of AAI over $35,100