

# Do You Need Money for College or Career/Trade School?

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September 2023



# Apply for Federal Student Aid

## What is federal student aid?

It's money from the federal government that helps you pay for college, career school, trade school, or graduate school expenses. Federal student aid is available through grants, work-study funds, and loans.

## How do I apply for aid?

You need to complete the *Free Application for Federal Student Aid* (FAFSA®) form by logging in at [fafsa.gov](https://fafsa.gov) to apply online or by filling out and mailing the FAFSA PDF.

When completing the FAFSA form, you and any required contributors will provide information that will determine your eligibility for federal student aid. Contributor is a new term being introduced on the 2024–25 FAFSA form—a contributor is anyone (student, the student's spouse, a biological or adoptive parent, and/or the parent's spouse) who is required to provide information on the FAFSA form, sign the FAFSA form, and provide consent and approval to have their federal tax information transferred directly from the IRS into the form.

Consent and approval for the transfer of federal tax information are required when completing the FAFSA form, even if you did not file a U.S. tax return or are asked to manually enter your federal tax information into the FAFSA form. If you or your contributor(s) don't provide them, you won't be eligible for federal student aid. When you and your contributor(s) give consent and approval, you agree to have your federal tax information transferred directly into the FAFSA form via direct data exchange with the IRS; allow the U.S. Department of Education (ED) to use the federal tax information to determine eligibility for federal student aid; allow ED to share the federal tax information with colleges, career/trade schools, and states for use in awarding and administering financial aid; and allow ED to reuse your federal tax information on another FAFSA form that you are a contributor on (e.g., parents with multiple dependent children submitting a FAFSA form).

Each contributor, including the student, will need their own StudentAid.gov account to complete and sign the FAFSA form online. You can create a StudentAid.gov account, which you'll access using an FSA ID (account username and password), before you fill out the 2024–25 FAFSA form. Starting in December 2023, some contributors and students can create an account without a Social Security number, but this will limit account abilities. It should only be done by a parent, the spouse of a student, or the spouse of a parent that has been identified as a contributor on the FAFSA form or if you are a citizen of the Freely Associated States and need to complete the FAFSA form online. To find out more about the StudentAid.gov account and FSA ID, visit [StudentAid.gov/help-center/answers/article/fsa-id](https://StudentAid.gov/help-center/answers/article/fsa-id).

## When should I apply?

Each year, the FAFSA form is available for the next school year. You'll need to reapply for aid every year you are in school. Here's a summary of key dates for submitting the FAFSA form depending on when you plan to go to school:

<b>2024–25 Award Year</b>	<b>If you plan to attend college from</b> July 1, 2024–June 30, 2025	<b>You will submit the</b> 2024–25 FAFSA form	<b>You can submit the FAFSA form until</b> June 30, 2025
<b>2023–24 Award Year</b>	<b>If you plan to attend college from</b> July 1, 2023–June 30, 2024	<b>You will submit the</b> 2023–24 FAFSA form	<b>You can submit the FAFSA form until</b> June 30, 2024



### The FAFSA® form is free!

Completing and submitting the FAFSA form is free and quick, and it gives you access to most sources of financial aid— federal, state, and school resources— to help pay for college or career/trade school.



# Who gets federal student aid?

Every student who meets certain eligibility requirements can get some type of federal student aid. Some of the most basic eligibility requirements for students are that you must

- demonstrate financial need (for need-based programs);
- be a U.S. citizen or an eligible noncitizen;
- have a valid Social Security number (some exceptions apply);
- be enrolled or accepted for enrollment in an eligible degree or certificate program;
- be enrolled at least half-time (for Direct Loans); and
- maintain satisfactory academic progress in college, career/trade school, or graduate school.

For the full list of eligibility requirements, visit [StudentAid.gov/understand-aid/eligibility/requirements](https://studentaid.gov/understand-aid/eligibility/requirements).





# Dependency Status

**All applicants for federal student aid are considered either “independent” or “dependent.”**

## Independent Student

If you answer **YES** to any of these questions, then you may be an independent student. You may not be required to provide parental information on your FAFSA® form.

## Dependent Student

If you answer **NO** to ALL of these questions, then you may be a dependent student. You may be required to provide your parent’s information on your FAFSA form, and they may be identified as a contributor on your form.

1. Will you be 24 years old or older by Jan. 1 of the school year for which you are applying for financial aid? For the 2024–25 award year, were you born before Jan. 1, 2001?
2. Are you married and not separated?
3. Are you a graduate or professional student (working toward a master’s or doctorate degree)?
4. Do you have children or other legal dependents, other than your spouse, who live with you and receive more than half of their support from you?
5. Are you a veteran of or currently serving on active duty in the U.S. armed forces?
6. At any time since you turned 13, were both of your parents deceased, were you in foster care, or were you a ward or dependent of the court?
7. Are you an emancipated minor or are you in a legal guardianship as determined by a court?
8. Are you an unaccompanied youth who is homeless or self-supporting and at risk of being homeless?

Starting in the 2024–25 award year, certain students who indicate on their FAFSA form that they have unusual circumstances will be granted a dependency status of “provisionally independent.” Unusual circumstances refer to a situation where a student is unable to contact a parent or where contact with a parent would pose a risk to the student. Examples of unusual circumstances include human trafficking, legally granted refugee or asylum status, parental abandonment or estrangement, student or parent incarceration, and death of a parent.

Students with unusual circumstances will be able to skip questions about their parents on the FAFSA form and submit the form without a parent signature. After submitting the FAFSA form, the student must then provide documentation of their unusual circumstances to the college, career school, or trade school they plan to attend.



For more information about dependency status on the FAFSA form, visit [StudentAid.gov/dependency](https://studentaid.gov/dependency).

# Types of Aid

Amounts awarded vary annually and are subject to change.  
Visit [StudentAid.gov](https://StudentAid.gov) for the most up-to-date details

## 1 Federal Grants: Money that generally doesn't have to be paid back

### Federal Pell Grant

For the 2024–25 award year, the Federal Pell Grant is for undergraduates with financial need who have not earned a bachelor's or professional degree. Eligibility is linked to family size and the federal poverty line. Federal Pell Grant access has been expanded to include students who are confined or incarcerated and enrolled in an approved Prison Education Program, and Federal Pell Grant lifetime eligibility has been restored for students who had an eligible loan discharge. Additionally, students who previously qualified for an Iraq and Afghanistan Service Grant or the Children of Fallen Heroes program will be awarded the maximum Pell Grant award because they are undergraduate students whose parent or guardian died as a result of military service. For details and updates, visit [StudentAid.gov/pell-grant](https://StudentAid.gov/pell-grant).

### Federal Supplemental Educational Opportunity Grant (FSEOG)

The FSEOG is for undergraduates with exceptional financial need. Federal Pell Grant recipients take priority. Funds depend on availability at school. For details and updates, visit [StudentAid.gov/fseog](https://StudentAid.gov/fseog).

### Teacher Education Assistance for College and Higher Education (TEACH) Grant

The TEACH Grant is for undergraduate, post baccalaureate, and graduate students who are completing or plan to complete course work needed to begin a career in teaching. To receive a TEACH Grant, a student must agree to teach for four years in a high-need field at an elementary school, secondary school, or educational service agency that serves students from low-income backgrounds. If a student doesn't complete the teaching service requirement, all TEACH Grants the student received will be converted to a Direct Unsubsidized Loan that must be repaid, with interest charged from the date of each TEACH Grant disbursement. For details and updates, visit [StudentAid.gov/teach](https://StudentAid.gov/teach).

## 2 Federal Work-Study: Money is earned through a job and doesn't have to be repaid

### Your total work-study award depends on

- ✓ when you apply,
- ✓ your level of financial need, and
- ✓ your school's funding level.



For Federal Work-Study program details and updates, visit [StudentAid.gov/workstudy](https://StudentAid.gov/workstudy).



### 3 Federal Student Loans: These are loans that accumulate interest; they must be repaid

#### Who is it for?

##### Direct Subsidized Loan

For undergraduate students who have financial need. A student must be enrolled at least half-time. No interest is charged while a student is enrolled at least half-time, during the grace period, and during deferment periods.

##### Direct Unsubsidized Loan

For undergraduate and graduate or professional students. A student must be enrolled at least half-time. Financial need is not required. Interest is generally charged during all periods.

##### Direct PLUS Loans

For parents of dependent undergraduate students and for graduate or professional students. A student must be enrolled at least half-time. Financial need is not required. Interest is generally charged during all periods.

#### What is the maximum annual loan amount?

##### Direct Subsidized Loan

Up to \$5,500, depending on grade level.

##### Direct Unsubsidized Loan

For undergraduate students, up to \$12,500 (minus any subsidized amounts received for the same period), depending on grade level and dependency status. For graduate or professional students, up to \$20,500.

##### Direct PLUS Loans

Maximum amount is the cost of attendance minus any other financial aid received.

#### What is the interest rate?

Interest rates for all types of Direct Loans will vary by loan type and by award year. The rates are determined each year, and when they are determined, they apply to all loans that have a first disbursement date during the period beginning on July 1 of one year and ending on June 30 of the following year. Loans received during different award years may have different fixed interest rates. For more information on interest rates and to find details about the most up-to-date interest rates, visit [StudentAid.gov/interest](https://studentaid.gov/interest).

#### Where do I get more details and updates on loans?

##### Direct Subsidized and Unsubsidized Loans

[StudentAid.gov/sub-unsub](https://studentaid.gov/sub-unsub)

##### Direct PLUS Loans

[StudentAid.gov/plus](https://studentaid.gov/plus)



# I completed the FAFSA<sup>®</sup> form. Now what?

After you submit your 2024–25 FAFSA form, you'll receive a FAFSA Submission Summary. Your FAFSA Submission Summary will include the answers that you submitted on your FAFSA form (with the exception of the federal tax information transferred directly from the IRS), your Student Aid Index (SAI), and an estimation of what federal student aid you may be eligible for. If you provided a valid email address in your application, you'll receive an email with instructions on how to access an online copy of your FAFSA Submission Summary within three days (if you apply online) or three weeks (if you mail in a paper FAFSA form).

When you receive your FAFSA Submission Summary, review it to make sure you didn't make any mistakes on your FAFSA form:

- If the information on your FAFSA Submission Summary is accurate and you don't need to make any changes, just keep it for your records.
- To find out how to correct mistakes or make updates to your FAFSA form, visit [StudentAid.gov/apply-for-aid/fafsa/review-and-correct](https://studentaid.gov/apply-for-aid/fafsa/review-and-correct) or contact the school(s) to which you applied.

The information in your FAFSA Submission Summary will be provided to the schools you listed on your FAFSA form, and the schools will use that information and your SAI to make a final determination of your eligibility and financial aid need. You will receive an aid offer from the schools where you applied and/or were accepted for admission.

If you complete the 2023–24 FAFSA form, you will receive a Student Aid Report (SAR) after you submit. It will include a summary of the information you submitted on your FAFSA form (with the exception of federal tax information transferred into the FAFSA form using the IRS Data Retrieval Tool). You should review your SAR to make sure it's accurate and that you don't need to correct any mistakes or update your FAFSA form.



## Do I have to repay my loans?

Yes. Student loans, unlike grants and work-study funds, are borrowed money that must be repaid with interest, just like car loans and home mortgages. You cannot have these loans canceled because you didn't like the education you received, didn't get a job in your field of study, or are having financial difficulty. So think about the amount you'll have to repay before you take out a loan and only borrow the amount you need. Learn more about loan repayment at [StudentAid.gov/repay](https://studentaid.gov/repay).



# What's an aid offer and how much aid will I get?

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If you applied for admission to a college or career/trade school you listed on your FAFSA form, that school will get your FAFSA information. The school will calculate your aid and send you an aid offer (often electronically).

Most schools will wait to send you an aid offer only after they accept you for admission. The aid offer will tell you how much aid you're eligible to receive at that school and will include the types and amounts of financial aid you may receive from federal, state, private, and school sources. This combination of help from different sources is your financial aid package. How much aid you receive depends on some factors, including

- cost of attendance (for each school);
- Student Aid Index (SAI)—the SAI doesn't represent a dollar amount but, instead, it's a number used by your school to calculate how much and what types of financial aid you're eligible to receive based on your FAFSA information;\*
- year in school; and
- enrollment status (e.g., full-time, half-time, etc.).

You can compare school aid offers and see which school is most affordable once financial aid is taken into account. Contact the school's financial aid office if you have any questions about the aid being offered to you. For more information on how aid is calculated, visit [StudentAid.gov/how-calculated](https://studentaid.gov/how-calculated).



## How will I receive my aid?

Your college or career/trade school—not the U.S. Department of Education—will distribute your aid. In most cases, your federal student aid will be applied directly to your school account. The financial aid staff at your school will explain exactly how and when your aid will be disbursed (paid out).

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\*If you're completing and submitting the 2023–24 FAFSA form, your Expected Family Contribution will still be included in the factors that determine how much aid you receive.



# What else do I need to remember when applying for federal student aid?

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- ✓ Only borrow what you need and what you can afford to pay back.
  - ✓ Your FAFSA information has to be correct to ensure that you receive your aid promptly and in the right amount. Always respond to (or act upon) any correspondence your school sends you—and meet all deadlines.
  - ✓ Contact the school if you're interested in school or state grants.
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## Free Help Is Available

Free help is available any time during the application process. Online help is available while you complete your application at [fafsa.gov](https://fafsa.gov). You can also get free information and help from your school counselor, the financial aid office at the college or career/trade school you plan to attend, or the U.S. Department of Education at [StudentAid.gov](https://StudentAid.gov) or 1-800-433-3243. You should never have to pay for help!

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