

# 2019–2020 EFC FORMULA A: DEPENDENT STUDENT

PARENTS' INCOME IN 2017	
1. Parents' adjusted gross income (FAFSA/SAR #85) If negative, enter zero.	100,000
2. a. Parent 1 (father/mother/stepparent) income earned from work (FAFSA/ SAR #88) 60,000	
2. b. Parent 2 (father/mother/stepparent) income earned from work (FAFSA/ SAR #89) 40,000	
Total parents' income earned from work =	100,000
3. Taxable income (If tax filers, enter the amount from line 1 above. If non-tax filers, enter the amount from line 2.)*	100,000
4. Total untaxed income and benefits: (total of FAFSA/SAR #94a through 94i) +	0
5. Taxable and untaxed income (sum of line 3 and line 4) =	100,000
6. Total additional financial information (total of FAFSA/SAR #93a through 93f) -	0
<b>7. TOTAL INCOME</b> (line 5 minus line 6) May be a negative number. =	100,000

ALLOWANCES AGAINST PARENTS' INCOME	
8. 2017 U.S. income tax paid (FAFSA/SAR #86) (tax filers only) If negative, enter zero.	6,739
9. State and other tax allowance (Table A1) If negative, enter zero. +	8,000
10. Parent 1 (father/mother/stepparent) Social Security tax allowance (Table A2) +	4,590
11. Parent 2 (father/mother/stepparent) Social Security tax allowance (Table A2) +	3,060
12. Income protection allowance (Table A3) +	28,580
13. Employment expense allowance: <ul style="list-style-type: none"> <li>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</li> <li>One-parent families: 35% of earned income, or \$4,000, whichever is less</li> <li>Two-parent families, one working parent: enter zero</li> </ul>	4,000
<b>14. TOTAL ALLOWANCES</b> =	54,969

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

**Line 3 is \$26,000 or less and**

- The parents are eligible to file a 2017 IRS Form 1040A or 1040EZ (that is, they are not required to file a 2017 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 2017 or 2018 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)	100,000
TOTAL ALLOWANCES (from line 14) -	54,969
<b>15. AVAILABLE INCOME (AI)</b> May be a negative number. =	45,031

PARENTS' CONTRIBUTION FROM ASSETS	
16. Cash, savings, and checking (FAFSA/SAR #90)	11,100
17. Net worth of investments** (FAFSA/SAR #91) If negative, enter zero. +	0
18. Net worth of business and/or investment farm (FAFSA/SAR #92) +	0
If negative, enter zero.	0
19. Adjusted net worth of business/farm (Calculate using Table A4.) +	0
20. Net worth (sum of lines 16, 17, and 19) =	11,100
21. Education savings and asset protection allowance (Table A5) -	11,100
22. Discretionary net worth (line 20 minus line 21) =	0
23. Asset conversion rate ×	.12
<b>24. CONTRIBUTION FROM ASSETS</b> If negative, enter zero. =	0

PARENTS' CONTRIBUTION	
AVAILABLE INCOME (AI) (from line 15)	45,031
CONTRIBUTION FROM ASSETS (from line 24) +	0
25. Adjusted available income (AAI) May be a negative number. =	45,031
26. Total parents' contribution from AAI (Calculate using Table A6.) If negative, enter zero.	14,470
27. Number in college in 2019–2020 (Exclude parents.) (FAFSA/SAR #74) ÷	1
<b>28. PARENTS' CONTRIBUTION</b> (standard contribution for nine-month enrollment)*** =	14,470
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.

*Continued on the next page.*



**STUDENT'S INCOME IN 2017**

29.	Adjusted gross income (FAFSA/SAR #36) If negative, enter zero.		0
30.	Income earned from work (FAFSA/SAR #39)		0
31.	Taxable income (If tax filer, enter the amount from line 29 above. If non-tax filer, enter the amount from line 30.)		0
32.	Total untaxed income and benefits (total of FAFSA/SAR #45a through 45j)	+	0
33.	Taxable and untaxed income (sum of line 31 and line 32)	=	0
34.	Total additional financial information (total of FAFSA/SAR #44a through 44f)	-	0
35.	<b>TOTAL INCOME</b> (line 33 minus line 34) May be a negative number.	=	0

**ALLOWANCES AGAINST STUDENT INCOME**

36.	2017 U.S. income tax paid (FAFSA/SAR #37) (tax filers only) If negative, enter zero.		0
37.	State and other tax allowance (Table A7) If negative, enter zero.	+	0
38.	Social Security tax allowance (Table A2)	+	0
39.	Income protection allowance	+	6,660
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.)	+	0
41.	<b>TOTAL ALLOWANCES</b>	=	6,660

**STUDENT'S CONTRIBUTION FROM INCOME**

TOTAL INCOME (from line 35)			0
TOTAL ALLOWANCES (from line 41)		-	6,660
42.	Available income (AI)	=	0
43.	Assessment of AI	×	.50
44.	<b>STUDENT'S CONTRIBUTION FROM AI</b> If negative, enter zero.	=	0

**STUDENT'S CONTRIBUTION FROM ASSETS**

45.	Cash, savings, and checking (FAFSA/SAR #41)		0
46.	Net worth of investments* (FAFSA/SAR #42) If negative, enter zero	+	0
47.	Net worth of business and/or investment farm (FAFSA/SAR #43) If negative, enter zero.	+	0
48.	Net worth (sum of lines 45 through 47)	=	0
49.	Assessment rate	×	.20
50.	<b>STUDENT'S CONTRIBUTION FROM ASSETS</b>	=	0

**EXPECTED FAMILY CONTRIBUTION**

PARENTS' CONTRIBUTION (from line 28)			14,470
STUDENT'S CONTRIBUTION FROM AI (from line 44)		+	0
STUDENT'S CONTRIBUTION FROM ASSETS (from line 50)		+	0
51.	<b>EXPECTED FAMILY CONTRIBUTION</b> (standard contribution for nine-month enrollment)** If negative, enter zero.	=	14,470

\*Do not include the student's home.

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

## Table A1: State and Other Tax Allowance

for EFC Formula A Worksheet (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%	Montana	5%	4%
Alaska	2%	1%	Nebraska	5%	4%
American Samoa	3%	2%	Nevada	2%	1%
Arizona	4%	3%	New Hampshire	4%	3%
Arkansas	4%	3%	New Jersey	9%	8%
California	8%	7%	New Mexico	3%	2%
Canada and Canadian Provinces	3%	2%	New York	9%	8%
Colorado	4%	3%	North Carolina	5%	4%
Connecticut	9%	8%	North Dakota	2%	1%
Delaware	5%	4%	Northern Mariana Islands	3%	2%
District of Columbia	7%	6%	Ohio	5%	4%
Federated States of Micronesia	3%	2%	Oklahoma	3%	2%
Florida	3%	2%	Oregon	7%	6%
Georgia	5%	4%	Palau	3%	2%
Guam	3%	2%	Pennsylvania	5%	4%
Hawaii	5%	4%	Puerto Rico	3%	2%
Idaho	5%	4%	Rhode Island	6%	5%
Illinois	5%	4%	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	3%	2%
Marshall Islands	3%	2%	Virginia	6%	5%
Maryland	8%	7%	Washington	3%	2%
Massachusetts	7%	6%	West Virginia	3%	2%
Mexico	3%	2%	Wisconsin	6%	5%
Michigan	4%	3%	Wyoming	2%	1%
Minnesota	6%	5%	Blank or Invalid State	3%	2%
Mississippi	3%	2%	Other	3%	2%
Missouri	4%	3%			

To calculate the state and other tax allowance (EFC Formula A Worksheet, line 9), multiply the parents' total income (EFC Formula A Worksheet, line 7) by the appropriate percentage from the table above. Use the parents' state of legal residence (FAFSA/SAR #70). 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 above.

**Table A2: Social Security Tax**

Income Earned from Work*	Social Security Tax
\$0 – \$127,200	7.65% of income
\$127,201 or greater	\$9,730.80 + 1.45% of amount over \$127,200

\*Calculate separately the Social Security tax of parent 1, parent 2, and the student.  
 Parent 1 (father/mother/stepparent) 2017 income earned from work is FAFSA/SAR #88.  
 Parent 2 (father/mother/stepparent) 2017 income earned from work is FAFSA/SAR #89.  
 Student's 2017 income earned from work is FAFSA/SAR #39.  
 Social Security tax will never be less than zero.

**Table A3: Income Protection Allowance**

Number in parents' household, including student (FAFSA/SAR #73)	Number of college students in the household (FAFSA/SAR #74)				
	①	2	3	4	5
2	\$18,580	\$15,400	not applicable	not applicable	not applicable
3	\$23,140	\$19,980	\$16,800	not applicable	not applicable
④	②\$28,580	\$25,400	\$22,240	\$19,060	not applicable
5	\$33,720	\$30,540	\$27,380	\$24,200	\$21,040
6	\$39,430	\$36,260	\$33,100	\$29,920	\$26,760

Note: For each additional household member, add \$4,450.  
 For each additional college student (except parents), subtract \$3,160.

**Table A4: Business/Farm Net Worth Adjustment**  
 for EFC Formula A Worksheet (parents only)

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$130,000	40% of net worth of business/farm
\$130,001 to \$395,000	\$52,000 + 50% of net worth over \$130,000
\$395,001 to \$660,000	\$184,500 + 60% of net worth over \$395,000
\$660,001 or more	\$343,500 + 100% of net worth over \$660,000

**Table A5: Parents' Education Savings and Asset Protection Allowance**

for EFC Formula A Worksheet (parents only)

<i>Age of older parent as of 12/31/2019*</i>	<i>Allowance if there are two parents**</i>	<i>Allowance if there is only one parent</i>	<i>Age of older parent as of 12/31/2019*</i>	<i>Allowance if there are two parents**</i>	<i>Allowance if there is only one parent</i>
25 or less	\$0	\$0	46	\$11,400	\$6,000
26	700	300	47	11,600	6,100
27	1,300	700	48	11,900	6,200
28	2,000	1,000	49	12,200	6,400
29	2,600	1,400	50	12,500	6,500
30	3,300	1,700	51	12,900	6,700
31	4,000	2,100	52	13,200	6,800
32	4,600	2,400	53	13,500	7,000
33	5,300	2,800	54	13,900	7,200
34	5,900	3,100	55	14,300	7,300
35	6,600	3,500	56	14,700	7,500
36	7,300	3,800	57	15,100	7,700
37	7,900	4,200	58	15,500	7,900
38	8,600	4,500	59	15,900	8,100
39	9,200	4,900	60	16,400	8,300
40	9,900	5,200	61	16,800	8,500
41	10,100	5,300	62	17,300	8,800
42	10,400	5,500	63	17,800	9,000
43	10,600	5,600	64	18,300	9,200
44	10,900	5,700	65 or older	18,900	9,500
45	11,100	5,800			

\* Determine the age of the older parent listed in FAFSA/SAR #64 and #68 as of 12/31/2019. If no parent date of birth is provided, use age 45.

\*\* Use the two parent allowance when the parents' marital status listed in FAFSA/SAR #59 is "Married or remarried" or "Unmarried and both legal parents living together."

**Table A6: Parents' Contribution from AAI**

<b>If the parents' AAI is —</b>	<b>Then the parents' contribution from AAI is—</b>
Less than -\$3,409	-\$750
-\$3,409 to \$16,600	22% of AAI
\$16,601 to \$20,800	\$3,652 + 25% of AAI over \$16,600
\$20,801 to \$25,100	\$4,702 + 29% of AAI over \$20,800
\$25,101 to \$29,300	\$5,949 + 34% of AAI over \$25,100
\$29,301 to \$33,600	\$7,377 + 40% of AAI over \$29,300
<del>\$33,601 or more</del>	<del>\$9,097 + 47% of AAI over \$33,600</del>