

2016–2017 EFC FORMULA **A**: DEPENDENT STUDENT

REGULAR
WORKSHEET
Page 1

A

PARENTS' INCOME IN 2015	
1. Parents' Adjusted Gross Income (FAFSA/SAR #85) If negative, enter zero.	
2. a. Parent 1 (father/mother/stepparent) income earned from work (FAFSA/SAR #88) _____	
2. b. Parent 2 (father/mother/stepparent) income earned from work (FAFSA/SAR #89) + _____	
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. Total untaxed income and benefits: (Total of FAFSA/SAR #94a. through 94i.) +	
5. Taxable and untaxed income (sum of line 3 and line 4) =	
6. Total additional financial information (Total of FAFSA/SAR #93a. through 93f.) -	
7. TOTAL INCOME (line 5 minus line 6) May be a negative number. =	

ALLOWANCES AGAINST PARENTS' INCOME	
8. 2015 U.S. income tax paid (FAFSA/SAR #86) (tax filers only) If negative, enter zero.	
9. State and other tax allowance (Table A1) If negative, enter zero. +	
10. Parent 1 (father/mother/stepparent) Social Security tax allowance (Table A2) +	
11. Parent 2 (father/mother/stepparent) Social Security tax allowance (Table A2) +	
12. Income protection allowance (Table A3) +	
13. Employment expense allowance: <ul style="list-style-type: none"> • 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 if the following are true:

Line 3 is \$25,000 or less **and**

- The parents are eligible to file a 2015 IRS Form 1040A or 1040EZ (they are not required to file a 2015 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 2014 or 2015 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 & checking (FAFSA/SAR #90)	
17. Net worth of investments** (FAFSA/SAR #91) If negative, enter zero. +	
18. Net worth of business and/or investment farm (FAFSA/SAR #92) +	
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 2016–2017 (Exclude parents) (FAFSA/SAR #74) ÷	
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.

continued on the next page

STUDENT'S INCOME IN 2015		
29.	Adjusted Gross Income (FAFSA/SAR #36) If negative, enter zero.	
30.	Income earned from work (FAFSA/SAR #39)	
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 #45a. through 45j.)	+
33.	Taxable and untaxed income (sum of line 31 and line 32)	=
34.	Total additional financial information (Total of FAFSA/SAR #44a. through 44f.)	-
35.	TOTAL INCOME (line 33 minus line 34) May be a negative number.	=

ALLOWANCES AGAINST STUDENT INCOME		
36.	2015 U.S. income tax paid (FAFSA/SAR #37) (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	+
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 #41)	
46.	Net worth of investments* (FAFSA/SAR #42) If negative, enter zero	+
47.	Net worth of business and/or investment farm (FAFSA/SAR #43) 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.

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	4%	3%
Alaska	2%	1%	Nebraska	5%	4%
American Samoa	2%	1%	Nevada	2%	1%
Arizona	4%	3%	New Hampshire	5%	4%
Arkansas	4%	3%	New Jersey	9%	8%
California	7%	6%	New Mexico	3%	2%
Canada and Canadian Provinces	2%	1%	New York	9%	8%
Colorado	4%	3%	North Carolina	5%	4%
Connecticut	8%	7%	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	7%	6%
Illinois	6%	5%	South Carolina	4%	3%
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	6%	5%
Maine	6%	5%	Virgin Islands	2%	1%
Marshall Islands	2%	1%	Virginia	6%	5%
Maryland	8%	7%	Washington	3%	2%
Massachusetts	6%	5%	West Virginia	3%	2%
Mexico	2%	1%	Wisconsin	7%	6%
Michigan	4%	3%	Wyoming	1%	0%
Minnesota	6%	5%	Blank or Invalid State	2%	1%
Mississippi	3%	2%	Other	2%	1%
Missouri	4%	3%			

To calculate the state and other tax allowance, multiply the Parents' Total Income (EFC Formula A Worksheet, line 7) by the appropriate rate from the table above to get the "State and Other Tax Allowance" (EFC Formula A Worksheet, line 9). 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 rate for a blank or invalid state above.

Table A2: Social Security Tax

Income Earned from Work*	Social Security Tax
\$0 – \$118,500	7.65% of income
\$118,501 or greater	\$9,065.25 + 1.45% of amount over \$118,500

Calculate separately the Social Security tax of parent 1, parent 2, and the student.

*Parent 1 (father/mother/stepparent) 2015 income earned from work is FAFSA/SAR #88
 Parent 2 (father/mother/stepparent) 2015 income earned from work is FAFSA/SAR #89
 Student's 2015 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	\$17,840	\$14,790	not applicable	not applicable	not applicable
3	\$22,220	\$19,180	\$16,130	not applicable	not applicable
4	\$27,440	\$24,390	\$21,350	\$18,300	not applicable
5	\$32,380	\$29,320	\$26,290	\$23,240	\$20,200
6	\$37,870	\$34,820	\$31,780	\$28,730	\$25,690

Note: For each additional family member, add \$4,270.
 For each additional college student (except parents), subtract \$3,040.

**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 network is—
Less than \$1	\$0
\$1 to \$125,000	40% of net worth of business/farm
\$125,001 to \$380,000	\$50,000 + 50% of net worth over \$125,000
\$380,001 to \$635,000	\$177,500 + 60% of net worth over \$380,000
\$635,000 or more	\$330,500 + 100% of net worth over \$635,000

Table A5: Parents' Education Savings and Asset Protection Allowance

for EFC Formula A Worksheet (parents only)

<i>Age of older parent as of 12/31/2016*</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 12/31/2016*</i>	<i>Allowance if there are two parents**</i>	<i>Allowance if there is only one parent</i>
25 or less	\$0	\$0	46	\$17,800	\$9,000
26	1,000	500	47	18,300	9,200
27	2,100	1,100	48	18,700	9,400
28	3,100	1,600	49	19,200	9,700
29	4,100	2,100	50	19,700	9,900
30	5,200	2,600	51	20,200	10,100
31	6,200	3,200	52	20,700	10,400
32	7,200	3,700	53	21,300	10,600
33	8,300	4,200	54	21,800	10,900
34	9,300	4,700	55	22,400	11,100
35	10,300	5,300	56	23,000	11,400
36	11,400	5,800	57	23,700	11,700
37	12,400	6,300	58	24,300	12,000
38	13,400	6,800	59	25,000	12,300
39	14,500	7,400	60	25,700	12,600
40	15,500	7,900	61	26,400	12,900
41	15,900	8,100	62	27,200	13,200
42	16,300	8,300	63	27,900	13,600
43	16,600	8,500	64	28,800	13,900
44	17,000	8,600	65 or older	29,600	14,300
45	17,400	8,800			

* Determine the age of the older parent listed in FAFSA/SAR #64 and #68 as of 12/31/2016. If no parent date of birth is provide, 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 parents are living together."

Table A6: Parents' Contribution from AAI

If the parents' AAI—	Then the parents' contribution from AAI is—
Less than -\$3,409	-\$750
-\$3,409 to \$15,900	22% of AAI
\$15,901 to \$20,000	\$3,498 + 25% of AAI over \$15,900
\$20,001 to \$24,100	\$4,523 + 29% of AAI over \$20,000
\$24,101 to \$28,200	\$5,712 + 34% of AAI over \$24,100
\$28,201 to \$32,200	\$7,106 + 40% of AAI over \$28,200
\$32,201 or more	\$8,706 + 47% of AAI over \$32,200

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

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

To calculate the state and other tax allowance, multiply the Student's Total Income (EFC Formula A Worksheet, line 35) by the appropriate rate from the table above to get the "State and Other Tax Allowance" (EFC Formula A Worksheet, line 37). 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 Parents's State of Legal Residence (FAFSA/SAR #70). If all three items are blank or invalid, use the rate for a blank or invalid state above.