



Verification

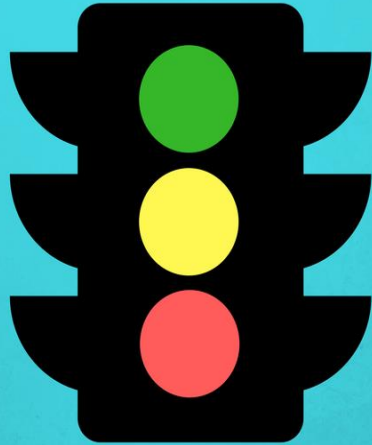
The Next Hurdle After the FAFSA

Nikki Vachon
College Access Counselor



Who is FAME?

FAME helps Maine students reach their higher education goals by providing free information on planning, saving and paying for college



FAFSA VERIFICATION

- What is Verification?
- Who is selected? (Why was I selected?)
- How do I know if I've been selected?
- What is required

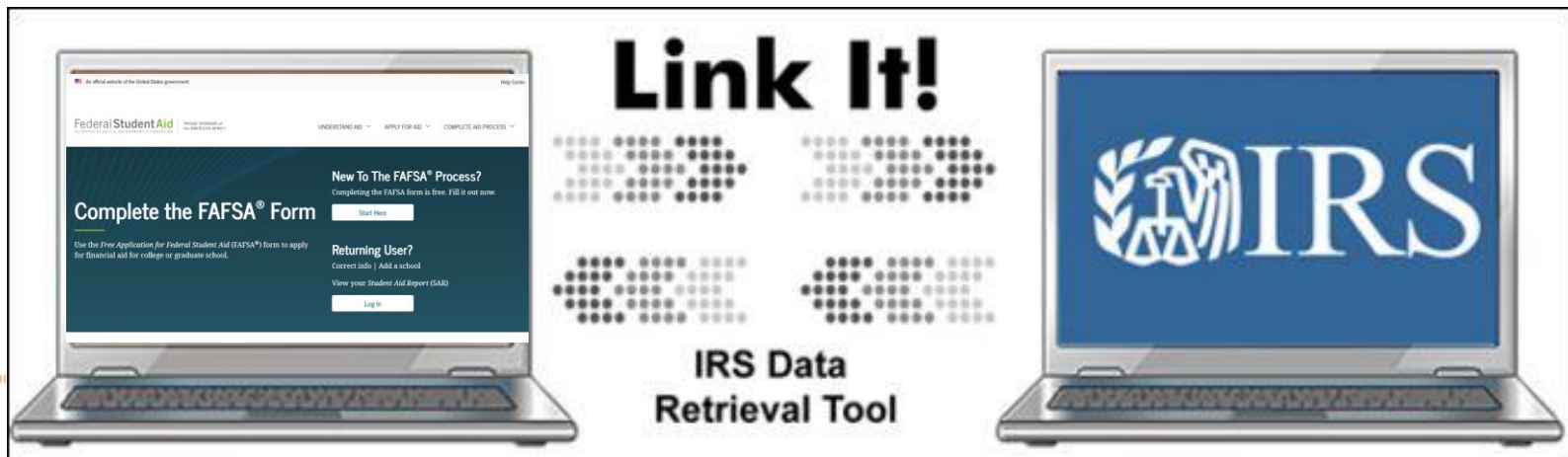
What is Verification?

Verification is the process to check the accuracy of the information provided by the student (and/or parent) when applying for Title IV federal student aid via the Free Application for Federal Student Aid (FAFSA).



Who is selected?

- Nationally 22% of FAFSA filers selected since 10/1/18 (compared to 30% in previous years)
- **Some colleges verify some or 100% of applicants
- Being selected does **NOT** mean anything done wrong
- Those that do not use IRS Data Retrieval on the FAFSA are **MUCH** more likely to be selected



Maine FAFSA Applicants

Academic Year	HS Seniors working on 1st BA or AS degree	% selected for verification	% selected for verification who were Pell Grant Eligible	% selected for verification who qualified for Simplified Needs Test	% selected for verification that qualified for Auto Zero EFC
2018-19	49,940	32%	90%	52%	20%
2019-20	46,217	28%	89%	46%	14%
2020-21 (as of Dec 2019)	15,974	22%	92%	48%	8%

- It's on your Student Aid Report
 - Log in to [FAFSA.gov](https://fafsa.gov)
 - Click on "View or Print your Student Aid Report"



My FAFSA - 2020-2021

STUDENT INFORMATION

Welcome, Susan Demodefault!

2020-2021 2019-2020

Current Application Status: Processed Successfully
Congratulations, your FAFSA was successfully processed.

What Happens Next

- Your FAFSA information was made available to the school(s) you listed on your FAFSA.
- Your school(s) will use your FAFSA information to determine the aid you may be eligible to receive.
- Your school(s) will contact you if they need more information or to discuss your financial aid award.
- If you have questions about your financial aid package contact your school(s).

You can also:

- [View or Print your Student Aid Report \(SAR\)](#)
- [Make FAFSA Corrections](#) to make a change, add a school, or transfer IRS data into your FAFSA
- [View Correction History](#) to view corrections made to your FAFSA
- [Create a shareable file with some of your student information using MyStudentData Download.](#)

Transaction History

Original Application	Latest Correction
<ul style="list-style-type: none">• Submitted: 10/01/2019• Processed: 10/01/2019	<ul style="list-style-type: none">• Submitted: 10/01/2019• Submitted By: Student• Processed: 10/01/2019

How do I know if I was selected?

Federal Student Aid FAFSASM



Form Approved
OMB No. 1845-0001
App. Exp. 12/31/2020

2019-2020

Electronic Student Aid Report (SAR)

The SAR summarizes the information you submitted on your 2019-2020 Free Application for Federal Student Aid (FAFSA).

Application Receipt Date:	11/14/2018	XXX-XX-5432 SM 01
Processed Date:	11/15/2018	EFC: 4828 * ←
		DRN: 4484

Comments About Your Information

Learn about [federal tax benefits for education](#), including the *American Opportunity Tax Credit* (AOTC).

Based on the information we have on record for you, your EFC is 4828. You may be eligible to receive a Federal Pell Grant and other federal student aid. Your school will use your EFC to determine your financial aid eligibility for federal grants, loans, and work-study, and possible funding from your state and school.

Your FAFSA has been selected for a review process called verification. Your school has the authority to request copies of certain financial documents from you and your parent(s).

There is a limit to the total amount of Federal Pell Grants that a student may receive, which is the equivalent of 6 school years. Once a total amount of Pell Grant eligibility has been received, a student can no longer receive Pell Grant aid.

WHAT YOU MUST DO NOW (Use the checklist below to make sure that all of your issues are resolved.)

The parents' marital status you reported in Item 59 does not appear to agree with the parents' tax return filing status reported in Item 82. If one of these items is incorrect, click 'Make FAFSA Corrections' on the 'My FAFSA' page to make the correction. If the information you reported is correct, make sure the income information reported in Items 85 through 89, 93, and 94 correctly reflects your parents' 2017 income.

If you need to make corrections to your information, click 'Make FAFSA Corrections' on the 'My FAFSA' page using your FSA ID. If you need additional help with your SAR, contact your school's financial aid office or click the 'Help' icon on the FAFSA home page. If your mailing address or e-mail address changes, you can

How do I know if I was selected?

December 19, 2019



Candy Kane
29 Candy Crush Lane
North Pole, Me 04600

Dear Candy:

Thank you for submitting your 2020-2021 FAFSA (Free Application for Federal Student Aid) to Washington County Community College. Your file has been selected for verification by the Department of Education. Before we can make a determination of your financial aid eligibility, you must submit additional information.

Please provide the following documentation:

FA - Notification of Outside Sources
FA - Dep Verif Worksheet- 2021
Parents W-2
Parent 2018 Signed Income Tax Return

Please provide these documents within two weeks from the date of this letter. Once your paperwork is received, we will finalize our decision and notify you regarding your award as soon as possible.

Financial Aid funds may not be available for purchasing your textbooks or tools. Please plan to have alternate funding available at the start of each semester.

If you have any questions, please contact me at (207) 454-1033 or lfitzsimmons@wccc.me.edu.
Fax (207)454-1018

Sincerely,

Linda L. Fitzsimmons
Director of Financial Aid



Dependent / 2019-2020 School Year

“Your file has been selected for verification by the Department of Education ...”

Works for ME ✓

What is being verified?

2013-14 Verification Tracking Groups

Tracking Group Flag	Verification Tracking Group	What is verified
V1	Standard Verification	Income info, Household size, # in college, Child support paid, SNAP
	SNAP Verification	Document SNAP Benefits
	Child Support Paid Verification	Document Child Support Paid
V4	Custom Verification Group	Verify Identity/Statement of Edu Purpose, High School Status, SNAP Benefits, child support paid
V5	Aggregate Verification Group	All V Groups (V1 + V4)

What is required to be verified?

2019-20 Verification Tracking Groups

Tracking Group Flag	Verification Tracking Group	What is verified
V1	Standard Verification	<ul style="list-style-type: none"> • Income info • Household size • # in college
V4	Custom Verification Group	<ul style="list-style-type: none"> • Verify Identity • Statement of Educational Purpose • High School Status
V5	Aggregate Verification Group	All V Groups (V1 + V4)

What is required to be verified?

	V1 Standard Tracking Group	V4 Custom Tracking Group	V5 Aggregate Tracking Group
Tax Filers			
Adjusted Gross Income	●		●
U.S. Income Tax Paid	●		●
Untaxed Portions of Individual Retirement Account (IRA) Distributions	●		●
Untaxed Portions of Pensions	●		●
IRA Deductions and Payments	●		●
Tax Exempt Interest Income	●		●
Education Tax Credits	●		●
Nontax filers			
Income Earned from Work	●		●
Number of Household Members	●		●
Number in College	●		●
High School Completion Status		●	●
Statement of Identity & Statement of Educational Purpose		●	●

Verification of Taxable Income Information

FAFSA data must be verified using either:

- Using the IRS Data Retrieval Tool (within the FAFSA) **Or**
- Submitting a signed (or preparer's SSN, EIN, or PTIN listed) copy of the federal tax return ***New 2019 Or**
- Submitting of Tax Return Transcript (From the IRS)

Request a Tax Return Transcript 3 ways:

- Go to [IRS.gov](https://www.irs.gov). Click on "Get Tax Record"
- By calling the IRS at 1-800-829-1040
- By faxing or mailing a 4506t to the IRS

Works for ME ✓

Acceptable Documentation for tax filers

From Nov 2019 FSA Conference: Verification Session


GS3. Keynote Address GS4. Verification
Acceptable Documentation

- An institution may request applicants submit a tax transcript as documentation of income and tax information
- A signed copy of the income tax return is also acceptable
- An institution may not require a tax transcript in lieu of a signed copy of the income tax return unless the institution has concerns about the validity of the tax return submitted
- In those circumstances the institution may require a tax return transcript or other documentation specified in the annual *Federal Register* notice
- The institution must document the reason why the income tax return was not acceptable

1:01:23 / 1:04:37

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

PROUD SPONSOR OF
FUTURE LEADERSHIP WITH US



What about Tax Filing Extensions?

2020-21 FAFSA requires 2018 taxes and became available on October 1, 2019.

- Extensions are automatically granted to extend until Oct – taxes should now have been filed but.....
- Extensions **beyond** the automatic 6 month extension require:
 - ~~a copy of IRS Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, NO LONGER NEEDED~~
 - a copy of the IRS's approval of an extension beyond the automatic six-month extension for tax year 2018.
 - Verification of non-filing from the IRS dated on/after October 1, 2019.
 - copies of all their 2018 W-2 forms (or equivalent), and
 - if self-employed, a signed statement with the amounts of their AGI and U.S. income taxes paid for tax year 2018.

Works for ME ✓

What about Tax Amendments?

To complete verification you will need

- a signed copy of the 1040X form that was filed as well as either:
 - ✓ Tax transferred in to the FAFSA using the IRS Data Retrieval Tool with all the information from the original tax return **or**
 - ✓ an IRS tax return transcript (which does not have to be signed), **or**
 - ✓ A signed copy of the tax return.

Works for ME ✓

Student Questions for Tax Filers Only

Student Demographics School Selection Dependency Status Parent Demographics Parent Financials **Student Financials** Sign & Submit Confirmation

STUDENT INFORMATION

Did you have any of the following items in 2018? Enter amounts for all that apply.

Combat pay or special combat pay. **This should be zero for enlisted persons and warrant officers** (including commissioned warrant officers) because their combat pay is entirely nontaxable. Only enter [taxable combat pay](#) included in your (and, if married, your spouse's) adjusted gross income. ?

\$.00

Student college grant and scholarship aid reported to the IRS in your income. Includes AmeriCorps benefits (awards, living allowances, and interest accrual payments), as well as grant and scholarship portions of fellowships and assistantships. ?

\$.00

Education credits (American Opportunity Tax Credit or Lifetime Learning Tax Credit) from IRS Form Transferred from the IRS ?

Untaxed portions of IRA distributions and pensions from IRS Form Transferred from the IRS ?

Did the untaxed portions of IRA distributions and pensions you reported for 2018 include rollover(s)? ?

Yes No

IRA deductions and payments to self-employed SEP, SIMPLE, Keogh, and other qualified plans from IRS Form Transferred from the IRS ?

Tax exempt interest income from IRS Form Transferred from the IRS ?

PREVIOUS NEXT

Under “Untaxed Income”:

Untaxed portions of IRA Distributions are listed on the FAFSA.

**However - rollover's are excluded from the FAFSA.

Rollover: a transfer of funds from one eligible retirement account to another. “Not a taxable event, but listed on the 1040”

Works for ME ✓

For Financial Aid Professionals:

This will be flagged on the ISIR as an IRS Data Field Flag = “2”

Documentation needed:

Financial Aid Office will need to collect a signed statement certifying that the untaxed pension or IRA distribution contained a rollover.

Works for ME ✓

Verifying Income for Nontax Filers

Acceptable documentation:

- ✓ Income earned from work - Copies of W-2s (if applicable);

AND

- ✓ IRS Verification of non-filing (VNF) dated on/after 10/1/19 for 2020-21 FAFSA

OR

- ✓ If unable to receive VNF, schools can accept a signed statement certifying that the individual has: ***New 2019**
 - attempted to obtain the VNF from the IRS or other tax authorities and was unable to obtain the required documentation; **and**
 - not filed a 2018 income tax return and are not required to file a tax return (for verification of 2020-21 FAFSA)
 - listed the sources of any 2018 income and the amount of income from each source. If self-employed, the signed statement must also include the amount of AGI and U.S. income tax paid for the applicable tax year.

Works for ME ✓

NOTE: IRS Verification of Non-filing Letter (or signed statement that individual did not file a tax return) is **ONLY** required for:

- Parents of dependent student **OR**
- Independent students (and spouses if applicable)

Works for ME ✓

Requesting a Verification of Non-Filing or Tax Return Transcript

Form 4506-T
(June 2019)
Request for Transcript of Tax Return

▶ Do not sign this form unless all applicable lines have been completed.
▶ Request may be rejected if the form is incomplete or illegible.
▶ For more information about Form 4506-T, visit www.irs.gov/form4506t.

OMB No. 1545-1872

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at irs.gov and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 Customer file number (if applicable) (see instructions)	

Note: Effective July 2019, the IRS will mail tax transcript requests only to your address of record. See **What's New under Future Developments** on Page 2 for additional information.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶

- a** **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days
- b** **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days
- c** **Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days
- 7** **Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days
- 8** **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

Caution: Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T. See instructions.

Phone number of taxpayer on line 1a or 2a

Sign Here

▶ Signature (see instructions) Date

▶ Title (if line 1a above is a corporation, partnership, estate, or trust)

▶ Spouse's signature Date

For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. 37667N Form 4506-T (Rev. 6-2019)

- If requesting a Tax Return Transcript check off box 6a
- If requesting a Verification of Non-filing letter be sure to check off line 7
- Be sure you are using the 2019 version!!

Works for ME ✓

Verification of Household Info

- Verification of Household Information
 - Household size
 - Number in college

List the people in your parent(s) household, include:

- Yourself; and
- Your parent(s), including stepparent, (as listed on your FAFSA) even if you don't live with your parent(s); and
- Your parent(s)' other children, even if they don't live with your parent(s), if
 - (a) Your parent(s) will provide more than half of their support from July 1, 2019 through June 30, 2020, or
 - (b) The children would be required to provide parental information when applying for Federal Student Aid;
 and
- Other people if they now live with your parent(s) and your parent(s) provide more than half of their support and will continue to provide more than half of their support from July 1, 2019 through June 30, 2020.

Provide the name of the college being attended by any household member listed below, excluding parent(s), who will be enrolled at least half-time in a degree, diploma, or certificate program at an eligible post-secondary educational institution any time between July 1, 2019 and June 30, 2020.

Full Name	Age	Relationship	College	Will be enrolled at least Half Time (Yes or No)
<i>Joe Student (example)</i>	<i>18</i>	<i>Self</i>	<i>XYZ College</i>	<i>Yes</i>

Special Situations – Auto-Zero EFC

Special Situations – Auto-Zero EFC

Criteria

When a dependent student's parent income is below a certain threshold and they have met other qualifications the student is automatically eligible for an automatic zero EFC (maximum federal financial aid.)

Independent students have same threshold requirements but also must have dependents other than a spouse to qualify for Auto Zero EFC.

Result:

- Sections of the FAFSA regarding income and assets are skipped (**and not counted if entered**).
- Student has a zero EFC

Works for ME ✓

Special Situations – Auto-Zero EFC

■ Dependent Auto- Zero EFC criteria:

- Parents combined AGI (or income earned from work for non-filers) less than \$26,000 (for 2018) **AND**
 - Any household member received a federally means tested benefit for 2018 or 2019 (Medicaid, SSI, SNAP, Free and Reduced Lunch, TANF or WIC);
 - OR** Parents
 - filed a 2018 1040 but did not file a Schedule 1*,
 - Filed a tax form from a Trust Territory **or**
 - Were not required to file any income tax return
 - OR** either parent is a Dislocated Worker.

Works for ME ✓

Special Situations – Auto-Zero EFC

- Independent Auto- Zero EFC criteria:
 - ❑ Student must have a dependent other than spouse **AND**
 - ❑ Student (and spouse) combined AGI (or income earned from work for non-filers) less than \$26,000 (for 2018) **AND**
 - ❑ Any household member received a federally means tested benefit for 2018 or 2019 (Medicaid, SSI, SNAP, Free and Reduced Lunch, TANF or WIC);
 - ❑ **OR** Student (and spouse if applicable) **BOTH**
 - filed a 2018 1040 but did not file a Schedule 1*
 - Filed a tax form from a Trust Territory
 - Were not required to file any income tax return
 - ❑ **OR** either student (or spouse) is a Dislocated Worker.

Works for ME ✓

FAFSA filers with AGI under \$50,000 presented with following question:

“Did (or will) you file a Schedule 1 with your 2018 tax return?”

- Answer “No” if you did not file a Schedule 1 **OR**
- Only filed a Schedule 1 to report an Alaska Permanent Fund dividend **OR** one of the other exceptions:
 - Answer “No” if you (or your parents)
 - did not file a Schedule 1
 - Filed a schedule 1 to report **ONLY ONE OR MORE** of the following:
 - » Capital Gains (line 13)
 - » Unemployment Compensation (line 19)
 - » Other income to report an Alaska Permanent Fund dividend (line 21)
 - » Educator Expense (line 23)
 - » IRA Deduction (line 32)
 - » Student loan interest deduction (line 33)
 - Answer “Yes” if you (or if married, your spouse) filed or will file a Schedule 1 and reported additional income or adjustments to income on any lines other than or in addition to the six exceptions listed above.

*How do I know if a Schedule 1 was filed?

On the 2018 IRS Form 1040, the following information indicates one or more of the relevant schedules was required and that the school should have received a copy to complete verification:

- 1040 Line 6: Schedule 1 is completed if there is an amount in the "from Schedule 1, line 22"
- 1040 Line 6: Schedule 1 is completed if the 1040 Line 6 result amount (right-hand column) is greater than the sum of the amounts on 1040 Lines 1 + 2b + 3b + 4b + 5b;
- 1040 Line 7: Schedule 1 is completed if the amount on 1040 Line 7 is less than the Line 6 result amount (indicates adjustments to income from Schedule 1, Line 36);
- 1040 Line 11: Schedule 2 is completed if the box for 1040 Line 11b is checked; or
- 1040 Line 12: Schedule 3 is completed if the box for 1040 Line 12b is checked.

If there is an amount in the "from Schedule 1, line 22" line item in the first bullet above, you do not need to do the math in the second bullet.

*How do I know if a Schedule 1 was filed?

Form 1040 (2018)

Page **2**

		1	Wages, salaries, tips, etc. Attach Form(s) W-2	1		
Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.	2a	Tax-exempt interest	2a		b Taxable interest	2b
	3a	Qualified dividends	3a		b Ordinary dividends	3b
	4a	IRAs, pensions, and annuities	4a		b Taxable amount	4b
	5a	Social security benefits	5a		b Taxable amount	5b
	6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22			6	
	7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6			7	
Standard Deduction for— <ul style="list-style-type: none"> • Single or married filing separately, \$12,000 • Married filing jointly or Qualifying widow(er), \$24,000 • Head of household, \$18,000 • If you checked any box under Standard deduction, see instructions. 	8	Standard deduction or itemized deductions (from Schedule A)			8	
	9	Qualified business income deduction (see instructions)			9	
	10	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-			10	
	11	a Tax (see inst.) _____ (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input type="checkbox"/> _____)			11	
		b Add any amount from Schedule 2 and check here <input type="checkbox"/>				
	12	a Child tax credit/credit for other dependents _____ b Add any amount from Schedule 3 and check here <input type="checkbox"/>			12	
	13	Subtract line 12 from line 11. If zero or less, enter -0-			13	
	14	Other taxes. Attach Schedule 4			14	
	15	Total tax. Add lines 13 and 14			15	
	16	Federal income tax withheld from Forms W-2 and 1099			16	
	17	Refundable credits: a EIC (see inst.) _____ b Sch. 8812 _____ c Form 8863 _____			17	
		Add any amount from Schedule 5 _____			17	
	18	Add lines 16 and 17. These are your total payments			18	
Refund	19	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid			19	
	20a	Amount of line 19 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>			20a	
Direct deposit? See instructions.	b	Routing number _____	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
	d	Account number _____				
	21	Amount of line 19 you want applied to your 2018 estimated tax			21	
Amount You Owe	22	Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions			22	
	23	Estimated tax penalty (see instructions)			23	

Go to www.irs.gov/Form1040 for instructions and the latest information.

Form **1040** (2018)



Special Situations – Auto-Zero EFC

- This pathway is important when it comes to verification because the requirements are different

Parent Skip Remaining Questions?

Student Demographics ✓ School Selection ✓ Dependency Status ✓ Parent Demographics ✓ Financial Information ✎ Sign & Submit Confirmation

PARENT INFORMATION

Do you want to skip the remaining questions about your and your parents' income and assets? ?

Yes No

PREVIOUS NEXT

Works for ME ✓

Special Situations – Auto-Zero EFC

“Students who are eligible for an automatic zero EFC.

- A **dependent** student in this category who is placed in Verification Tracking Group V1 or V5 must verify his parents’ **AGI if they were tax filers and their income earned from work if they were non-tax filers.**

- An **independent** student must verify the following income & household size info:
 1. The student and, if applicable, his spouse’s AGI if they were tax filers;
 2. their income earned from work if they were non-tax filers;
 3. the number of household members to determine if the student has any dependents other than a spouse.”

Works for ME ✓

Auto Zero Verification Items

Auto - Zero V1	Dependent Students	Independent Students
Parent - Tax Filer:		
Adjusted Gross Income	●	
Student (and spouse if applicable) - Tax filer:		
Adjusted Gross Income		●
Nontax filers:		
Parent's Income Earned from Work	●	
Student's (and spouse if applicable) Income Earned from Work		●
Number of Household Members		●

works for me ✓

Verification Tax Return Transcript Matrix

2020–2021 FAFSA Verification-IRS Tax Return Transcript Matrix				
2020–2021 FAFSA Information Requiring Verification	2020–2021 FAFSA Q# (Student and Parent)	2020–2021 ISIR Field# (Student and Parent)	2018 IRS Tax Return Transcript Item	2018 IRS 1040 Line # and/or Schedule
Adjusted Gross Income	36 and 84	43 and 106	Adjusted Gross Income	7
Income Tax Paid	37 and 85	44 and 107	For IRS Form 1040 Transcripts: —"Income Tax After Credits" less "Excess Advance Premium Tax Credit Repayment Amount" <i>If taxes paid is negative, enter "0" (zero)</i>	IRS Form 1040 Line 13 minus Line 46 of Schedule 2
Education Credits	43a and 91a	50 and 113	Education Credit	Schedule 3 Line 50
IRA Deductions and Payments	44b and 92b	57 and 120	KEOGH/SEP Contribution Deduction + IRA Deduction	Schedule 1 Line 28 plus 32
Tax Exempt Interest Income	44d and 92d	59 and 122	Tax-Exempt Interest	2a
Untaxed Portions of IRA Distributions and Pensions	44e and 92e	60 and 123	IRAs, Pensions and Annuities – Taxable IRAs, Pensions, and Annuities (Exclude rollovers) <i>If negative, enter "0" (zero)</i>	4a minus 4b

Works for ME ✓

Other Types of Verification Documents


- High School Completion Status
 - HS diploma or equivalency
 - US or foreign school
- Identity/Statement of Educational Purpose
 - Student must appear in person with valid ID and sign a statement of educational purpose “that certifies who they are and that the federal student aid they may receive will only be used for educational purposes and for the cost of attending school,” *FSA Handbook, AVG, Chap 4 pg. 88*

What if the student's/family's situation has changed affecting their ability to pay for college? They should appeal or ask for a Professional Judgment from the college Financial Aid Office.

- What qualifies?
 - Any situation not captured on the FAFSA or that requires clarification
 - One time lump sum receipt of income, such as an inheritance
 - Changes to household or income information *after* filing the FAFSA
 - Divorce or separation
 - Death in the family
 - Loss or significant reduction of income
 - Major out of pocket medical expenses
 - Student dependency status concerns:
 - Homelessness or risk of homelessness
 - Emancipated minors
 - Extenuating circumstances regarding ability to provide parental information

- Sept. 2018 – IRS starting redacting info on Tax Return Transcripts

Changes were outlined in IRS News Release 2018-171



Internal Revenue Service
United States Department of the Treasury

This Product Contains Sensitive Taxpayer Data

Tax Return Transcript

Request Date: 06-09-2018
 Response Date: 06-09-2018
 Tracking Number: 100200235179
Customer File Number: 0987654321

SSN Provided: XXX-XX-5084
Tax Period Ending: Dec. 31, 2017

The following items reflect the amount as shown on the return (PR), and the amount as adjusted (PC), if applicable. They do not show subsequent activity on the account.

SSN: XXX-XX-5084
SPOUSE SSN:
NAME(S) SHOWN ON RETURN: DRAK
ADDRESS: 123 DA

FILING STATUS: Single
 FORM NUMBER: 1040
 CYCLE POSTED: 20181005
 RECEIVED DATE: Jan.15, 2018
 REMITTANCE: \$0.00
 EXEMPTION NUMBER: 1
 DEPENDENT 1 NAME CTRL:
 DEPENDENT 1 SSN:
 DEPENDENT 2 NAME CTRL:
 DEPENDENT 2 SSN:
 DEPENDENT 3 NAME CTRL:
 DEPENDENT 3 SSN:
 DEPENDENT 4 NAME CTRL:
 DEPENDENT 4 SSN:
 PTIN:
 PREPARER EID:

Income

WAGES, SALARIES, TIPS, ETC:	\$13,000.00
TAXABLE INTEREST INCOME: SCH B:	\$0.00
TAX-EXEMPT INTEREST:	\$0.00
ORDINARY DIVIDEND INCOME: SCH B:	\$0.00
QUALIFIED DIVIDENDS:	\$0.00
REFUNDS OF STATE/LOCAL TAXES:	\$0.00



Changes to Tax Return Transcripts

Form 4506-T
(June 2019)
Department of the Treasury
Internal Revenue Service

Request for Transcript of Tax Return

▶ Do not sign this form unless all applicable lines have been completed.
▶ Request may be rejected if the form is incomplete or illegible.
▶ For more information about Form 4506-T, visit www.irs.gov/form4506t.

OMB No. 1545-1872

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at irs.gov and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 Customer file number (if applicable) (see instructions)	

Note: Effective July 2019, the IRS will mail tax transcript requests only to your address of record. See **What's New under Future Developments** on Page 2 for additional information.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶

a **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days

b **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days

c **Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days

7 **Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days

8 **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

Caution: Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T. See instructions.

Signature (see instructions)	Date	Phone number of taxpayer on line 1a or 2a
Sign Here		
Title (if line 1a above is a corporation, partnership, estate, or trust)		
Spouse's signature	Date	

For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. 37667N Form 4506-T (Rev. 6-2019)

- You can now enter a “Customer File Number” on the Request For Transcript of Tax Return.
- Use this line to enter a students Student ID number (do not include parts of the tax payer SSN)

Works for ME ✓

- The IRS is reducing the numbered schedules from 6 to 3, resulting in questions being shifted back and forth between the 1040 form and schedules.
 - The IRA distribution and pension question will be split back into two questions.
- FUTURE ACT – Dec. 2019
 - Providing permanent funding for Historically Black Colleges and Universities and other Minority-Serving Institutions **AND**
 - Streamlines FAFSA application & loan repayment plan applications with IRS
 - Amends Section 6103 of the Internal Revenue Code to allow the IRS to share taxpayer data directly with the Department of Education (ED).

Sample Verification Worksheets

Dependent Student Verification Worksheet 2020-2021

Your Free Application for Federal Student Aid (FAFSA) was selected by the U.S. Dept. of Education for a review process called "Verification." Being selected does not mean you've done anything wrong! It does require us, as your school, to review the information provided on your application and document that it is correct. If there are differences between your FAFSA information and your financial documents, corrections may need to be made.

We cannot process your financial aid until verification has been completed, so please complete all applicable items, and return this form as soon as possible to our office. Please contact us if you have questions.

Do not process your financial aid until verification has been completed, so please complete all applicable items, and return this form as soon as possible to our office. Please contact us if you have questions.

Student Last Name _____ Student First Name _____ Student M.I. _____
 Student ID Number _____
 Student Date of Birth _____
 Preferred Phone Number _____
 Address (include apt. no.) _____ State _____ Zip Code _____
 City _____

Section A: Family Information

List the people in your parents' household, include:

- Yourself; and
- Your parent(s), including stepparent, (as listed on your FAFSA) even if you don't live with your parent(s); and
- Your parent(s)' other children, even if they don't live with your parent(s), if (a) your parent(s) will provide more than half of their support from July 1, 2020 through June 30, 2021, or (b) the children would be required to provide parental information when applying for Federal Student Aid; and
- Other people if they now live with your parent(s) and your parent(s) provide more than half of their support from July 1, 2020 through June 30, 2021, and will continue to provide more than half of their support from July 1, 2020 through June 30, 2021.

Provide the name of the college being attended by any household member listed below, excluding parent(s), who will be enrolled at least half-time in a degree, diploma, or certificate program at an eligible post-secondary educational institution any time between July 1, 2020 and June 30, 2021.

Full Name	Age	Relationship	College	Will be enrolled at least Half Time (Yes or No)
Suzy Smith (example)	18	Self	XYZ College	Yes

Independent Student Verification Worksheet 2020-2021

Your Free Application for Federal Student Aid (FAFSA) was selected by the U.S. Dept. of Education for a review process called "Verification." Being selected does not mean you've done anything wrong! It does require us, as your school, to review the information provided on your application and document that it is correct. If there are differences between your FAFSA information and your financial documents, corrections may need to be made.

We cannot process your financial aid until verification has been completed, so please complete all applicable items, and return this form as soon as possible to our office. Please contact us if you have questions.

Student First Name _____ Student M.I. _____
 Student ID Number _____
 Student Date of Birth _____
 Preferred Phone Number _____
 Address (include apt. no.) _____ State _____ Zip Code _____
 City _____

Section A: Family Information

List the people in your household, include:

- Yourself; and
- Your spouse, if you are married; and
- Your spouse's children if you or your spouse will provide more than half of their support from July 1, 2020 through June 30, 2021, even if a child does not live with you or your spouse; and
- Other people if they now live with you and you or your spouse provide more than half of their support from July 1, 2020 through June 30, 2021.

Provide the name of the college being attended by any household member listed below, excluding parent(s), who will be enrolled at least half-time in a degree, diploma, or certificate program at an eligible post-secondary educational institution any time between July 1, 2020 and June 30, 2021.

Full Name	Age	Relationship	College	Will be enrolled at least Half Time (Yes or No)
	18	Self		

Dependent Auto-Zero Student Worksheet 2020-2021

Your Free Application for Federal Student Aid (FAFSA) was selected by the U.S. Dept. of Education for a review process called "Verification." Being selected does not mean you've done anything wrong! It does require us, as your school, to review the information provided on your application and document that it is correct. If there are differences between your FAFSA information and your financial documents, corrections may need to be made.

We cannot process your financial aid until verification has been completed, so please complete all applicable items, and return this form as soon as possible to our office. Please contact us if you have questions.

Student Last Name _____ Student First Name _____ Student M.I. _____
 Student ID Number _____
 Student Date of Birth _____
 Preferred Phone Number _____
 Address (include apt. no.) _____ State _____ Zip Code _____
 City _____

Parent Income for Work Information

Did you or parent file taxes for 2018? If so, using the IRS Data Retrieval Tool is the best way to verify tax information. For more information on this tool and how to use it, see page 2.

Check the **ONE** box that applies:

- My parent(s) have filed a 2018 federal income tax return and used or will use the IRS Data Retrieval Tool within the FAFSA to transfer 2018 IRS income information into my FAFSA.
- My parent(s) have filed or are required to file a 2018 federal income tax return and were unable or chose not to use the IRS Data Retrieval Tool within the FAFSA. I have attached a signed copy of my parent(s)' 2018 IRS tax return with schedules.
- My parent(s) were employed in 2018 and did not and are not required to file a 2018 Federal Tax Return. I have attached my parent(s)' 2018 W-2s, completed the box below, and attached as my parent(s)' 2018 IRS Verification of Non-Filing* (See page 3 for instructions on how to obtain Verification of Nonfiling).

Employer's Name	2018 Amount Earned	W-2 Attached? <small>Required if provided by employer</small>

My parent(s) have not filed and are not required to file a 2018 federal income tax return and had no income earned from work in 2018. I have attached my parent(s)' 2018 IRS Verification of Non-Filing Letter (See page 3 for instructions on how to obtain an IRS Verification of Non-Filing Letter).

*If your parent(s) attempted, but have been unable to obtain Verification of Nonfiling, complete a Non-Tax Filer Certification on page 2.

Each person signing this worksheet certifies that all of the information reported on it is complete and correct. The student and one parent whose information was reported on the FAFSA must sign and date.

Student Signature _____ Date _____ Parent Signature _____ Date _____

Return by mail to: School address _____

SIMPLE STEPS TO TRANSFER TAX INFORMATION INTO YOUR FAFSA® FORM

The IRS Data Retrieval Tool (IRS DRT) Electronically Transfers Your Federal Tax Return Information Into Your FAFSA® Form

WHY

EASY Transfer info with the click of a button.

FAST Instantly retrieve your information.

ACCURATE Correctly fill in your information.

HOW



1 Log in to your current FAFSA® form or start a new application at fafsa.gov.

2 In the finances section of the online form, you will see a "Link to IRS" button if you are eligible to use the IRS DRT.

3 Click the "Link to IRS" button and log in with your FSA ID to be transferred to the IRS to retrieve your info.

4 Once at the IRS site, enter your information exactly as it appears on your federal income tax return and click the "Submit" button.

5 Check the "Transfer My Tax Information into the FAFSA® form" box, and click the "Transfer Now" button.*

6 You will know that your federal tax return information has been successfully transferred because the words "Transferred from the IRS" will display in place of the IRS information in your FAFSA form.

*For your protection, your tax information will not be displayed on either the IRS site or fafsa.gov.

The IRS DRT can be used by both students and parents.

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

PROUD SPONSOR OF
THE AMERICAN MIND®

To learn more about the IRS DRT, visit StudentAid.gov/irsdrt

Financial Aid 101 Resources

[+ Add file](#)
[+ Add link](#)
[Add from Drive](#)
[Move to](#)
[Delete](#)
[Subscribe to changes](#)

- ▶ [A. FSA ID Problem Solving](#) (Remove)
- ▶ [B. Why College?](#) (Remove)
- ▶ [C. Going Merry!](#) (Remove)
- ▶ [D. Filing the FAFSA](#) (Remove)
- ▶ [E. Award Letter Comparison](#) (Remove)
- ▶ [F. Maine Specific Incentive Programs](#) (Remove)
- ▶ [FAME Services](#) (Remove)
- ▶ [G. Special Circumstances & Appeals](#) (Remove)
- ▶ [H. Navigating Higher Ed: New Mainers/ELL/ESOL/Refugees](#) (Remove)
- ▶ [I. Okay, But What Actually is Adult Ed?](#) (Remove)
- ▼ [J. Verification](#) (Remove)
 - [012819 UPDATED GUIDANCE ON AMENDED RETURNS AND ID THEFT.pdf](#) Mar 4, 2019, 8:47 AM FAME Financial Aid Resources
View
 - [Draft: Auto-Zero Dependent Student Verification 2019.docx](#) Mar 4, 2019, 8:47 AM FAME Financial Aid Resources
View
 - [Draft: Dependent Student Verification Worksheet 2019.docx](#) Mar 4, 2019, 8:47 AM FAME Financial Aid Resources
View
 - [Draft: Independent Student Verification Worksheet 2019.docx](#) Mar 4, 2019, 8:47 AM FAME Financial Aid Resources
View
 - [Verification 2019 FA101.pdf](#) 2477k v. 2 Mar 12, 2019, 7:57 PM FAME Financial Aid Resources
View Download
 - [Verification guidance update Jan 9 2019.pdf](#) Mar 4, 2019, 8:47 AM FAME Financial Aid Resources
View
 - [2019-20 FSA Application & Verification Guide](#) 2 hours ago FAME Financial Aid Resources
View
 - [2019 FSA Conference recorded sessions](#) 2 hours ago FAME Financial Aid Resources
View
 - [Federal Register - FAFSA Information To Be Verified for the 2020-2021 Award Year](#) a minute ago FAME Financial Aid Resources
View
 - [Form 4506T highlighted for non-tax filer.pdf](#) 128k v. 1 a minute ago FAME Financial Aid Resources
View Download
- ▶ [K. CSS Profile 101](#) (Remove)
- ▶ [L. Selecting an Affordable College](#) (Remove)
- ▶ [Loan Repayment & Forgiveness](#) (Remove)
- ▶ [Useful Tools - Access Programs](#) (Remove)
- ▶ [Useful Tools - Checklists & Calendars](#) (Remove)
- ▶ [Useful Tools - Financial Aid Programs](#) (Remove)
- ▶ [Useful Tools - Middle School Programs](#) (Remove)



- **Federal Register Notice of Information to be Verified for the 2020-2021 Award Year** **May 24, 2019** <https://ifap.ed.gov/fregisters/FR052419.html>
- **Dear Colleague Letter GEN 19-02** **June 7, 2019**
<https://ifap.ed.gov/dpcletters/GEN1902.html>
- **2020-2021 FAFSA Verification Suggested Text** **July 31, 2019**
<https://ifap.ed.gov/eannouncements/073119VerifiSuggestedTextPackage20202021.html>
- **FAFSA Verification – IRS Tax Return Transcript Matrix** **November 26, 2019**
<https://ifap.ed.gov/eannouncements/112619FAFSA2021VerifiIRSTaxReturnTranscriptMatrix.html>
- **Verification Q & As**
<https://www2.ed.gov/policy/highered/reg/hearulemaking/2009/verification.html>



Finance Authority of Maine

5 Community Drive

P.O. Box 949

Augusta, ME 04332

1-800-228-3734

TTY: 207-626-2717

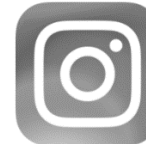
education@FAMEmaine.com

FAME-education.com

Questions?



FAME.Education



Fame.education



@FAME_Education



FAMEMaine

Works for ME ✓