

Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 applicable with respect to determinations of need under this part for award years beginning on or after July 1, 1993, see section 471(b) of Pub. L. 102-325, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

§ 1087ss. Simplified needs test

(a) Simplified application section

(1) In general

The Secretary shall develop and use an easily identifiable simplified application section as part of the common financial reporting form prescribed under section 1090(a) of this title for families described in subsections (b) and (c) of this section.

(2) Reduced data requirements

The simplified application form shall—

(A) in the case of a family meeting the requirements of subsection (b)(1) of this section, permit such family to submit only the data elements required under subsection (b)(2) of this section for the purposes of establishing eligibility for student financial aid under this part; and

(B) in the case of a family meeting the requirements of subsection (c) of this section, permit such family to be treated as having an expected family contribution equal to zero for purposes of establishing such eligibility and to submit only the data elements required to make a determination under subsection (c) of this section.

(b) Simplified needs test

(1) Eligibility

An applicant is eligible to file a simplified form containing the elements required by paragraph (2) if—

(A) in the case of an applicant who is a dependent student—

(i) the student's parents—

(I) file, or are eligible to file, a form described in paragraph (3);

(II) certify that the parents are not required to file a Federal income tax return;

(III) include at least one parent who is a dislocated worker; or

(IV) received, or the student received, benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

(ii) the total adjusted gross income of the parents (excluding any income of the dependent student) is less than \$50,000; or

(B) in the case of an applicant who is an independent student—

(i) the student (and the student's spouse, if any)—

(I) files, or is eligible to file, a form described in paragraph (3);

(II) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return;

(III) is a dislocated worker or has a spouse who is a dislocated worker; or

(IV) received benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

(ii) the adjusted gross income of the student (and the student's spouse, if any) is less than \$50,000.

(2) Simplified test elements

The six elements to be used for the simplified needs analysis are—

(A) adjusted gross income,

(B) Federal taxes paid,

(C) untaxed income and benefits,

(D) the number of family members,

(E) the number of family members in post-secondary education, and

(F) an allowance (A) for State and other taxes, as defined in section 1087oo(c)(2) of this title for dependent students and in section 1087qq(b)(2) of this title for independent students with dependents other than a spouse, or (B) for State and other income taxes, as defined in section 1087pp(b)(2) of this title for independent students without dependents other than a spouse.

(3) Qualifying forms

In the case of an independent student, the student, or in the case of a dependent student, the family, files a form described in this subsection, or subsection (c), as the case may be, if the student or family, as appropriate, files—

(A) a form 1040A or 1040EZ (including any prepared or electronic version of such form) required pursuant to title 26;

(B) a form 1040 (including any prepared or electronic version of such form) required pursuant to title 26, except that such form shall be considered a qualifying form only if the student or family files such form in order to take a tax credit under section 25A of title 26, and would otherwise be eligible to file a form described in subparagraph (A); or

(C) an income tax return (including any prepared or electronic version of such return) required pursuant to the tax code of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau.

(c) Zero expected family contribution

The Secretary shall consider an applicant to have an expected family contribution equal to zero if—

(1) in the case of a dependent student—

(A) the student's parents—

(i) file, or are eligible to file, a form described in subsection (b)(3);

(ii) certify that the parents are not required to file a Federal income tax return;

(iii) include at least one parent who is a dislocated worker; or

(iv) received, or the student received, benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

(B) the sum of the adjusted gross income of the parents is less than or equal to \$23,000; or

(2) in the case of an independent student with dependents other than a spouse—

(A) the student (and the student's spouse, if any)—

(i) files, or is eligible to file, a form described in subsection (b)(3);

(ii) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return;

(iii) is a dislocated worker or has a spouse who is a dislocated worker; or

(iv) received benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

(B) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to \$23,000.

An individual is not required to qualify or file for the earned income credit in order to be eligible under this subsection. The Secretary shall annually adjust the income level necessary to qualify an applicant for the zero expected family contribution. The income level shall be adjusted according to increases in the Consumer Price Index, as defined in section 1087rr(f) of this title.

(d) Definitions

In this section:

(1) Dislocated worker

The term “dislocated worker” has the meaning given the term in section 2801 of title 29.

(2) Means-tested Federal benefit program

The term “means-tested Federal benefit program” means a mandatory spending program of the Federal Government, other than a program under this subchapter and part C of subchapter I of chapter 34 of title 42, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit, and may include such programs as—

(A) the supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

(B) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.);

(C) the free and reduced price school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

(D) the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(E) the special supplemental nutrition program for women, infants, and children established by section 1786 of title 42; and

(F) other programs identified by the Secretary.

(Pub. L. 89-329, title IV, § 479, as added Pub. L. 99-498, title IV, § 406(a), Oct. 17, 1986, 100 Stat. 1472; amended Pub. L. 100-50, § 14(23)-(25), June 3, 1987, 101 Stat. 352; Pub. L. 100-369, § 7(c), July 18, 1988, 102 Stat. 837; Pub. L. 102-26, § 11, Apr. 9, 1991, 105 Stat. 129; Pub. L. 102-325, title IV, § 471(a), July 23, 1992, 106 Stat. 604; Pub. L. 103-208, § 2(g)(10)-(15), Dec. 20, 1993, 107 Stat. 2472; Pub. L. 105-244, title IV, § 477, Oct. 7, 1998, 112 Stat. 1731; Pub. L. 109-171, title VIII, § 8018(a), Feb. 8, 2006, 120 Stat. 174; Pub. L. 110-84, title VI, § 602(a), Sept. 27, 2007, 121 Stat. 804; Pub. L. 110-234, title IV, § 4002(b)(1)(A), (B), (2)(N), May 22, 2008, 122 Stat. 1095-1097; Pub. L. 110-246, § 4(a), title IV, § 4002(b)(1)(A), (B), (2)(N), June 18, 2008, 122 Stat. 1664, 1857, 1858; Pub. L. 111-39, title IV, § 406(a)(4), July 1, 2009, 123 Stat. 1948; Pub. L. 112-74, div. F, title III, § 309(b), Dec. 23, 2011, 125 Stat. 1100.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (d)(2)(A), (D), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. Title XVI of the Act is classified generally to subchapter XVI (§1381 et seq.) of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Food and Nutrition Act of 2008, referred to in subsec. (d)(2)(B), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, which is classified generally to chapter 51 (§2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

The Richard B. Russell National School Lunch Act, referred to in subsec. (d)(2)(C), is act June 4, 1946, ch. 281, 60 Stat. 230, which is classified generally to chapter 13 (§1751 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of Title 42 and Tables.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2011—Subsec. (c)(1)(B). Pub. L. 112-74, § 309(b)(1), substituted “\$23,000” for “\$30,000”.

Subsec. (c)(2)(B). Pub. L. 112-74, § 309(b)(2), substituted “\$23,000” for “\$30,000”.

2009—Subsec. (b)(1)(A)(i)(III). Pub. L. 111-39, § 406(a)(4)(A)(i), amended subcl. (III) generally. Prior to amendment, subcl. (III) read as follows: “1 of whom is a dislocated worker; or”.

Subsec. (b)(1)(B)(i)(III). Pub. L. 111-39, § 406(a)(4)(A)(ii), amended subcl. (III) generally. Prior to amendment, subcl. (III) read as follows: “1 of whom is a dislocated worker; or”.

Subsec. (c)(1)(A)(iii). Pub. L. 111-39, § 406(a)(4)(B)(i), amended cl. (iii) generally. Prior to amendment, cl. (iii) read as follows: “1 of whom is a dislocated worker; or”.

Subsec. (c)(2)(A)(iii). Pub. L. 111-39, § 406(a)(4)(B)(ii), amended cl. (iii) generally. Prior to amendment, cl. (iii) read as follows: “1 of whom is a dislocated worker; or”.

2008—Subsec. (d)(2). Pub. L. 110-246, § 4002(b)(1)(A), (B), (2)(N), substituted “supplemental nutrition assistance program” for “food stamp program” and “Food and Nutrition Act of 2008” for “Food Stamp Act of 1977”.

2007—Subsec. (b)(1)(A)(i), (B)(i). Pub. L. 110-84, § 602(a)(1), added subcl. (III), redesignated former subcl. (III) as (IV), and, in subcl. (IV), substituted “24-month” for “12-month”.

Subsec. (c). Pub. L. 110-84, § 602(a)(2)(C), inserted at end of concluding provisions “The Secretary shall annually adjust the income level necessary to qualify an applicant for the zero expected family contribution. The income level shall be adjusted according to increases in the Consumer Price Index, as defined in section 1087rr(f) of this title.”

Subsec. (c)(1)(A). Pub. L. 110-84, § 602(a)(2)(A)(i), added cl. (iii), redesignated former cl. (iii) as (iv), and, in cl. (iv), substituted “24-month” for “12-month”.

Subsec. (c)(1)(B). Pub. L. 110-84, § 602(a)(2)(A)(ii), substituted “\$30,000” for “\$20,000”.

Subsec. (c)(2)(A). Pub. L. 110-84, § 602(a)(2)(B)(i), added cl. (iii), redesignated former cl. (iii) as (iv), and, in cl. (iv), substituted “24-month” for “12-month”.

Subsec. (c)(2)(B). Pub. L. 110-84, § 602(a)(2)(B)(ii), substituted “\$30,000” for “\$20,000”.

Subsec. (d). Pub. L. 110-84, § 602(a)(3), substituted “Definitions” for “Definition of means-tested Federal benefit program” in heading, added par. (1), designated existing provisions as par. (2) and substituted “The term” for “In this section, the term” in introductory provisions, redesignated former pars. (1) to (6) as subpars. (A) to (F), respectively, of par. (2), and realigned margins.

2006—Subsec. (b)(1)(A)(i). Pub. L. 109-171, § 8018(a)(1)(A)(i), added cl. (i) and struck out former cl. (i) which read as follows: “the student’s parents file or are eligible to file a form described in paragraph (3) or certify that they are not required to file an income tax return and the student files or is eligible to file such a form or certifies that the student is not required to file an income tax return; and”.

Subsec. (b)(1)(B)(i). Pub. L. 109-171, § 8018(a)(1)(A)(ii), added cl. (i) and struck out former cl. (i) which read as follows: “the student (and the student’s spouse, if any) files or is eligible to file a form described in paragraph (3) or certifies that the student (and the student’s spouse, if any) is not required to file an income tax return; and”.

Subsec. (b)(3). Pub. L. 109-171, § 8018(a)(1)(B), in introductory provisions substituted “In the case of an independent student, the student, or in the case of a dependent student, the family, files a form described in this subsection, or subsection (c), as the case may be, if the student or family, as appropriate, files” for “A student or family files a form described in this subsection, or subsection (c) of this section, as the case may be, if the student or family, respectively, files”.

Subsec. (c)(1)(A). Pub. L. 109-171, § 8018(a)(2)(A)(i), added subpar. (A) and struck out former subpar. (A) which read as follows: “the student’s parents file, or are eligible to file, a form described in subsection (b)(3) of this section, or certify that the parents are not required to file an income tax return and the student files, or is eligible to file, such a form, or certifies that the student is not required to file an income tax return; and”.

Subsec. (c)(1)(B). Pub. L. 109-171, § 8018(a)(2)(A)(ii), added subpar. (B) and struck out former subpar. (B) which read as follows: “the sum of the adjusted gross income of the parents is less than or equal to the maximum amount of income (rounded annually to the nearest thousand dollars) that may be earned in 1992 or the current year, whichever is higher, in order to claim the maximum Federal earned income credit; or”.

Subsec. (c)(2)(A). Pub. L. 109-171, § 8018(a)(2)(B)(i), added subpar. (A) and struck out former subpar. (A) which read as follows: “the student (and the student’s spouse, if any) files, or is eligible to file, a form described in subsection (b)(3) of this section, or certifies that the student (and the student’s spouse, if any) is not required to file an income tax return; and”.

Subsec. (c)(2)(B). Pub. L. 109-171, § 8018(a)(2)(B)(ii), added subpar. (B) and struck out former subpar. (B) which read as follows: “the sum of the adjusted gross

income of the student and spouse (if appropriate) is less than or equal to the maximum amount of income (rounded annually to the nearest thousand dollars) that may be earned in 1992 or the current year, whichever is higher, in order to claim the maximum Federal earned income credit.”

Subsec. (d). Pub. L. 109-171, § 8018(a)(3), added subsec. (d).

1998—Subsec. (b)(3). Pub. L. 105-244, § 477(1)(A), substituted “this subsection, or subsection (c) of this section, as the case may be,” for “this paragraph” in introductory provisions.

Subsec. (b)(3)(A). Pub. L. 105-244, § 477(1)(B), struck out “or” at end.

Subsec. (b)(3)(B), (C). Pub. L. 105-244, § 477(1)(C), (D), added subpar. (B) and redesignated former subpar. (B) as (C).

Subsec. (c)(1)(A). Pub. L. 105-244, § 477(2)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the student’s parents were not required to file an income tax return under section 6012(a)(1) of title 26; and”.

Subsec. (c)(2)(A). Pub. L. 105-244, § 477(2)(B), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the student (and the student’s spouse, if any) was not required to file an income tax return under section 6012(a)(1) of title 26; and”.

1993—Subsec. (a)(1). Pub. L. 103-208, § 2(g)(10), inserted “of” after “(c)”.

Subsec. (b)(1)(B)(i). Pub. L. 103-208, § 2(g)(11), inserted “(and the student’s spouse, if any)” after “student” in two places and struck out “such” before “an income tax return”.

Subsec. (b)(2). Pub. L. 103-208, § 2(g)(12), (13), substituted “six elements” for “five elements” in introductory provisions and a comma for semicolon in subpar. (E).

Subsec. (b)(3)(A). Pub. L. 103-208, § 2(g)(14)(A), inserted “(including any prepared or electronic version of such form)” before “required”.

Subsec. (b)(3)(B). Pub. L. 103-208, § 2(g)(14)(B), inserted “(including any prepared or electronic version of such return)” before “required”.

Subsec. (c)(1)(A). Pub. L. 103-208, § 2(g)(15)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the student’s parents did not file, and were not required to file, a form 1040 required pursuant to title 26; and”.

Subsec. (c)(1)(B). Pub. L. 103-208, § 2(g)(15)(C), inserted “in 1992 or the current year, whichever is higher,” after “that may be earned”.

Subsec. (c)(2)(A). Pub. L. 103-208, § 2(g)(15)(B), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the student (and the student’s spouse, if any) did not file, and was not required to file, a form 1040 required pursuant to title 26; and”.

Subsec. (c)(2)(B). Pub. L. 103-208, § 2(g)(15)(C), inserted “in 1992 or the current year, whichever is higher,” after “that may be earned”.

1992—Pub. L. 102-325 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), analysis applicable to all title IV programs; in subsec. (b), elements in tests; and in subsec. (c), simplified application form.

1991—Subsec. (a). Pub. L. 102-26 inserted before period at end “, or who file an income tax return pursuant to the tax code of the Commonwealth of Puerto Rico or who are not required to file pursuant to that tax code”.

1988—Subsec. (a). Pub. L. 100-369 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

1987—Subsec. (a). Pub. L. 100-50, § 14(23), substituted “subsection (b) of this section” for “paragraph (2)”, “families (1) who” for “families which”, and “and (2) who file a form 1040A or 1040EZ pursuant to title 26, or are not required to file pursuant to such title” for “and which file a form 1040A pursuant to title 26”.

Subsec. (b)(2). Pub. L. 100-50, § 14(24)(A), struck out “and State” after “Federal”.

Subsec. (b)(6). Pub. L. 100-50, §14(24)(B)–(D), added par. (6).

Subsec. (c). Pub. L. 100-50, §14(25), added subsec. (c).

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112-74 effective July 1, 2012, see section 309(g) of Pub. L. 112-74, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted as part of amendments made by section 602(a) of Pub. L. 110-84 and effective July 1, 2009, see section 406(b)(2) of Pub. L. 111-39, set out as a note under section 1087mm of this title.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

Amendment by section 4002(b)(1)(A), (B), (2)(N) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4407 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 2007 AMENDMENT

Pub. L. 110-84, title VI, §602(b), Sept. 27, 2007, 121 Stat. 805, provided that: “The amendments made by this section [amending this section] shall be effective on July 1, 2009.”

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-171 effective July 1, 2006, except as otherwise provided, see section 8001(c) of Pub. L. 109-171, set out as a note under section 1002 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 7, 1998, see section 480A of Pub. L. 105-244, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 applicable with respect to determinations of need under this part for award years beginning on or after July 1, 1993, see section 471(b) of Pub. L. 102-325, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

EVALUATION OF SIMPLIFIED NEEDS TEST

Pub. L. 109-171, title VIII, §8018(b), Feb. 8, 2006, 120 Stat. 175, provided that:

“(1) **ELIGIBILITY GUIDELINES.**—The Secretary of Education shall regularly evaluate the impact of the eligibility guidelines in subsections (b)(1)(A)(i), (b)(1)(B)(i), (c)(1)(A), and (c)(2)(A) of section 479 of the Higher Education Act of 1965 (20 U.S.C. 1087ss(b)(1)(A)(i), (b)(1)(B)(i), (c)(1)(A), and (c)(2)(A)).

“(2) **MEANS-TESTED FEDERAL BENEFIT PROGRAM.**—For each 3-year period, the Secretary of Education shall evaluate the impact of including the receipt of benefits

by a student or parent under a means-tested Federal benefit program (as defined in section 479(d) of the Higher Education Act of 1965 (20 U.S.C. 1087ss(d)))] as a factor in determining eligibility under subsections (b) and (c) of section 479 of the Higher Education Act of 1965 (20 U.S.C. 1087ss(b) and (c)).”

§ 1087tt. Discretion of student financial aid administrators

(a) In general

Nothing in this part shall be interpreted as limiting the authority of the financial aid administrator, on the basis of adequate documentation, to make adjustments on a case-by-case basis to the cost of attendance or the values of the data items required to calculate the expected student or parent contribution (or both) to allow for treatment of an individual eligible applicant with special circumstances. However, this authority shall not be construed to permit aid administrators to deviate from the contributions expected in the absence of special circumstances. Special circumstances may include tuition expenses at an elementary or secondary school, medical, dental, or nursing home expenses not covered by insurance, unusually high child care or dependent care costs, recent unemployment of a family member or an independent student, a student or family member who is a dislocated worker (as defined in section 2801 of title 29), the number of parents enrolled at least half-time in a degree, certificate, or other program leading to a recognized educational credential at an institution with a program participation agreement under section 1094 of this title, a change in housing status that results in an individual being homeless (as defined in section 11302 of title 42), or other changes in a family’s income, a family’s assets, or a student’s status. Special circumstances shall be conditions that differentiate an individual student from a class of students rather than conditions that exist across a class of students. Adequate documentation for such adjustments shall substantiate such special circumstances of individual students. In addition, nothing in this subchapter and part C of subchapter I of chapter 34 of title 42 shall be interpreted as limiting the authority of the student financial aid administrator in such cases (1) to request and use supplementary information about the financial status or personal circumstances of eligible applicants in selecting recipients and determining the amount of awards under this subchapter and part C of subchapter I of chapter 34 of title 42, or (2) to offer a dependent student financial assistance under section 1078-8 of this title or a Federal Direct Unsubsidized Stafford Loan without requiring the parents of such student to file the financial aid form prescribed under section 1090 of this title if the student financial aid administrator verifies that the parent or parents of such student have ended financial support of such student and refuse to file such form. No student or parent shall be charged a fee for collecting, processing, or delivering such supplementary information.

(b) Adjustments to assets taken into account

A student financial aid administrator shall be considered to be making a necessary adjustment