

(2) for a single independent student or a married independent student without dependents (other than a spouse) shall be determined in accordance with section 1087pp of this title; and

(3) for an independent student with dependents other than a spouse shall be determined in accordance with section 1087qq of this title.

(b) Data elements

The following data elements are considered in determining the expected family contribution:

(1) the available income of (A) the student and the student's spouse, or (B) the student and the student's parents, in the case of a dependent student;

(2) the number of dependents in the family of the student;

(3) the number of dependents in the family of the student, excluding the student's parents, who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 1094 of this title and for whom the family may reasonably be expected to contribute to their postsecondary education;

(4) the net assets of (A) the student and the student's spouse, and (B) the student and the student's parents, in the case of a dependent student;

(5) the marital status of the student;

(6) the age of the older parent, in the case of a dependent student, and the student; and

(7) the additional expenses incurred (A) in the case of a dependent student, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of an independent student, when the student is married and the student's spouse is employed, or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of title 26.

(Pub. L. 89-329, title IV, § 474, as added Pub. L. 99-498, title IV, § 406(a), Oct. 17, 1986, 100 Stat. 1456; amended Pub. L. 100-369, § 7(c), July 18, 1988, 102 Stat. 837; Pub. L. 102-325, title IV, § 471(a), July 23, 1992, 106 Stat. 587; Pub. L. 105-244, title IV, § 472, Oct. 7, 1998, 112 Stat. 1729.)

AMENDMENTS

1998—Subsec. (b)(3). Pub. L. 105-244 inserted “, excluding the student's parents,” after “family of the student”.

1992—Pub. L. 102-325 substituted “Determination of expected family contribution; data elements” for “Data elements used in determining expected family contribution” in section catchline and amended text generally, adding subsec. (a), designating existing provisions as subsec. (b) and inserting heading, adding the age of the older parent, in the case of a dependent student, and the student as a data element and striking out consideration of any unusual medical and dental expenses and consideration of the number of dependent children other than the student enrolled in a private elementary or secondary institution and the unreimbursed tuition paid as data elements.

1988—Par. (8). 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.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244, effective Oct. 7, 1998, and applicable with respect to determinations of need under this part for academic years beginning on or after July 1, 2000, see section 480A of Pub. L. 105-244, set out as a note under section 1087kk 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.

§ 1087oo. Family contribution for dependent students

(a) Computation of expected family contribution

For each dependent student, the expected family contribution is equal to the sum of—

(1) the parents' contribution from adjusted available income (determined in accordance with subsection (b) of this section);

(2) the student contribution from available income (determined in accordance with subsection (g) of this section); and

(3) the student contribution from assets (determined in accordance with subsection (h) of this section).

(b) Parents' contribution from adjusted available income

The parents' contribution from adjusted available income is equal to the amount determined by—

(1) computing adjusted available income by adding—

(A) the parents' available income (determined in accordance with subsection (c) of this section); and

(B) the parents' contribution from assets (determined in accordance with subsection (d) of this section);

(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e) of this section; and

(3) dividing the assessment resulting under paragraph (2) by the number of the family members, excluding the student's parents, who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 1094 of this title during the award period for which assistance under this subchapter and part C of subchapter I of chapter 34 of title 42 is requested;

except that the amount determined under this subsection shall not be less than zero.

(c) Parents' available income

(1) In general

The parents' available income is determined by deducting from total income (as defined in section 1087vv of this title)—

(A) Federal income taxes;

(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

(C) an allowance for social security taxes, determined in accordance with paragraph (3);

- (D) an income protection allowance, determined in accordance with paragraph (4);
- (E) an employment expense allowance, determined in accordance with paragraph (5); and
- (F) the amount of any tax credit taken by the parents under section 25A of title 26.

(2) Allowance for State and other taxes

The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 1087vv of this title) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 1087rr of this title):

If parents' State or territory of residence is—	And parents' total income is—	
	less than \$15,000 or	\$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky	8	7

Income Protection Allowance

Family Size (including student)	Number in College					For each additional subtract:
	1	2	3	4	5	
2	\$10,520	\$8,720				\$1,790
3	13,100	11,310	\$9,510			
4	16,180	14,380	12,590	\$10,790		
5	19,090	17,290	15,500	13,700	\$11,910	
6	22,330	20,530	18,740	16,940	15,150	
For each additional add:	2,520	2,520	2,520	2,520	2,520	

(5) Employment expense allowance

The employment expense allowance is determined as follows (or using a successor provision prescribed by the Secretary under section 1087rr of this title):

- (A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of \$2,500 or 35 percent of the earned income of the parent with the lesser earned income.
- (B) If a parent qualifies as a surviving spouse or as a head of household as defined in section 2 of title 26, such allowance is equal to the lesser of \$2,500 or 35 percent of such parent's earned income.

Percentages for Computation of State and Other Tax Allowance—Continued

If parents' State or territory of residence is—	And parents' total income is—	
	less than \$15,000 or	\$15,000 or more
	then the percentage is—	
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13
Other	9	8

(3) Allowance for social security taxes

The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

(4) Income protection allowance

The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 1087rr of this title):

(d) Parents' contribution from assets

(1) In general

The parents' contribution from assets is equal to—

- (A) the parental net worth (determined in accordance with paragraph (2)); minus
- (B) the education savings and asset protection allowance (determined in accordance with paragraph (3)); multiplied by
- (C) the asset conversion rate (determined in accordance with paragraph (4)), except that the result shall not be less than zero.

(2) Parental net worth

The parental net worth is calculated by adding—

(A) the current balance of checking and savings accounts and cash on hand;

(B) the net value of investments and real estate, excluding the net value of the principal place of residence; and

(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter in this subsection referred to as “NW”), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 1087rr of this title), except as provided under section 1087vv(f) of this title:

Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is:
Less than \$1	\$0
\$1–\$75,000	40 percent of NW
\$75,001–\$225,000	\$30,000 plus 50 percent of NW over \$75,000
\$225,001–\$375,000	\$105,000 plus 60 percent of NW over \$225,000
\$375,001 or more	\$195,000 plus 100 percent of NW over \$375,000

(3) Education savings and asset protection allowance

The education savings and asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 1087rr of this title):

Education Savings and Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are	
	two parents	one parent
then the allowance is—		
25 or less	\$ 0	\$0
26	2,200	1,600
27	4,300	3,200
28	6,500	4,700
29	8,600	6,300
30	10,800	7,900
31	13,000	9,500
32	15,100	11,100
33	17,300	12,600
34	19,400	14,200
35	21,600	15,800
36	23,800	17,400
37	25,900	19,000
38	28,100	20,500
39	30,200	22,100
40	32,400	23,700
41	33,300	24,100
42	34,100	24,700
43	35,000	25,200
44	35,700	25,800
45	36,600	26,300
46	37,600	26,900
47	38,800	27,600
48	39,800	28,200
49	40,800	28,800
50	41,800	29,500
51	43,200	30,200
52	44,300	31,100
53	45,700	31,800
54	47,100	32,600
55	48,300	33,400
56	49,800	34,400
57	51,300	35,200
58	52,900	36,200

Education Savings and Asset Protection Allowances for Families and Students—Continued

If the age of the oldest parent is—	And there are	
	two parents	one parent
then the allowance is—		
59	54,800	37,200
60	56,500	38,100
61	58,500	39,200
62	60,300	40,300
63	62,400	41,500
64	64,600	42,800
65 or more	66,800	44,000

(4) Asset conversion rate

The asset conversion rate is 12 percent.

(e) Assessment schedule

The adjusted available income (as determined under subsection (b)(1) of this section and hereafter in this subsection referred to as “AAI”) is assessed according to the following table (or a successor table prescribed by the Secretary under section 1087rr of this title):

Parents’ Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than –\$3,409	–\$750
–\$3,409 to \$9,400	22% of AAI
\$9,401 to \$11,800	\$2,068 + 25% of AAI over \$9,400
\$11,801 to \$14,200	\$2,668 + 29% of AAI over \$11,800
\$14,201 to \$16,600	\$3,364 + 34% of AAI over \$14,200
\$16,601 to \$19,000	\$4,180 + 40% of AAI over \$16,600
\$19,001 or more	\$5,140 + 47% of AAI over \$19,000

(f) Computations in case of separation, divorce, remarriage, or death

(1) Divorced or separated parents

Parental income and assets for a student whose parents are divorced or separated is determined under the following procedures:

(A) Include only the income and assets of the parent with whom the student resided for the greater portion of the 12-month period preceding the date of the application.

(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student’s support for the 12-month period preceding the date of application.

(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

(2) Death of a parent

Parental income and assets in the case of the death of any parent is determined as follows:

(A) If either of the parents has died, the student shall include only the income and assets of the surviving parent.

(B) If both parents have died, the student shall not report any parental income or assets.

(3) Remarried parents

If a parent whose income and assets are taken into account under paragraph (1) of this

subsection, or if a parent who is a widow or widower and whose income is taken into account under paragraph (2) of this subsection, has remarried, the income of that parent's spouse shall be included in determining the parent's adjusted available income only if—

- (A) the student's parent and the step-parent are married as of the date of application for the award year concerned; and
- (B) the student is not an independent student.

(g) Student contribution from available income
(1) In general

The student contribution from available income is equal to—

- (A) the student's total income (determined in accordance with section 1087vv of this title); minus
- (B) the adjustment to student income (determined in accordance with paragraph (2)); multiplied by
- (C) the assessment rate as determined in paragraph (5);

except that the amount determined under this subsection shall not be less than zero.

(2) Adjustment to student income

The adjustment to student income is equal to the sum of—

- (A) Federal income taxes of the student;
- (B) an allowance for State and other income taxes (determined in accordance with paragraph (3));
- (C) an allowance for social security taxes determined in accordance with paragraph (4);
- (D) an income protection allowance of the following amount (or a successor amount prescribed by the Secretary under section 1087rr of this title)—
 - (i) for academic year 2009–2010, \$3,750;
 - (ii) for academic year 2010–2011, \$4,500;
 - (iii) for academic year 2011–2012, \$5,250; and
 - (iv) for academic year 2012–2013, \$6,000;
- (E) the amount of any tax credit taken by the student under section 25A of title 26; and
- (F) an allowance for parents' negative available income, determined in accordance with paragraph (6).

(3) Allowance for State and other income taxes

The allowance for State and other income taxes is equal to an amount determined by multiplying total income (as defined in section 1087vv of this title) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 1087rr of this title):

Percentages for Computation of State and Other Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2

Percentages for Computation of State and Other Tax Allowance—Continued

If the students' State or territory of residence is—	The percentage is—
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8
Other	4

(4) Allowance for social security taxes

The allowance for social security taxes is equal to the amount earned by the student multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

(5) Assessment of available income

The student's available income (determined in accordance with paragraph (1) of this subsection) is assessed at 50 percent.

(6) Allowance for parents' negative available income

The allowance for parents' negative available income is the amount, if any, by which the sum of the amounts deducted under subparagraphs (A) through (F) of subsection (c)(1) of this section exceeds the sum of the parents' total income (as defined in section 1087vv of this title) and the parents' contribution from assets (as determined in accordance with subsection (d) of this section).

(h) Student contribution from assets

The student contribution from assets is determined by calculating the net assets of the student and multiplying such amount by 20 percent, except that the result shall not be less than zero.

(i) Adjustments to parents' contribution for enrollment periods other than 9 months for purposes other than subpart 2 of part A of this subchapter

For periods of enrollment other than 9 months, the parents' contribution from adjusted available income (as determined under subsection (b) of this section) is determined as follows for purposes other than subpart 2 of part A of this subchapter:

- (1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income is divided by 9 and the result multiplied by the number of months enrolled.
- (2) For periods of enrollment greater than 9 months—

- (A) the parents' adjusted available income (determined in accordance with subsection

(b)(1) of this section) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4) of this section) for a family of four and a family of five, each with one child in college;

(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) of this section and adjusted according to subsection (b)(3) of this section to determine a revised parents' contribution from adjusted available income;

(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

(j) Adjustments to student's contribution for enrollment periods of less than nine months

For periods of enrollment of less than 9 months, the student's contribution from adjusted available income (as determined under subsection (g) of this section) is determined, for purposes other than subpart 2 of part A of this subchapter, by dividing the amount determined under such subsection by 9, and multiplying the result by the number of months in the period of enrollment.

(Pub. L. 89-329, title IV, §475, as added Pub. L. 99-498, title IV, §406(a), Oct. 17, 1986, 100 Stat. 1456; amended Pub. L. 100-50, §14(1)-(12), June 3, 1987, 101 Stat. 349, 350; Pub. L. 102-325, title IV, §471(a), July 23, 1992, 106 Stat. 587; Pub. L. 103-208, §2(g)(2)-(5), Dec. 20, 1993, 107 Stat. 2472; Pub. L. 105-78, title VI, §609(g), Nov. 13, 1997, 111 Stat. 1523; Pub. L. 105-244, title IV, §473, Oct. 7, 1998, 112 Stat. 1729; Pub. L. 109-171, title VIII, §8017(a)(1), Feb. 8, 2006, 120 Stat. 173; Pub. L. 110-84, title VI, §601(a), Sept. 27, 2007, 121 Stat. 801; Pub. L. 111-39, title IV, §406(a)(2), July 1, 2009, 123 Stat. 1948.)

AMENDMENTS

2009—Subsec. (c)(5)(B). Pub. L. 111-39 made technical amendment to reference in original act which appears in text as reference to section 2 of title 26.

2007—Subsec. (g)(2)(D). Pub. L. 110-84 amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: "an income protection allowance of \$3,000 (or a successor amount prescribed by the Secretary under section 1087rr of this title);".

2006—Subsec. (g)(2)(D). Pub. L. 109-171, §8017(a)(1)(A), substituted "\$3,000" for "\$2,200".

Subsec. (h). Pub. L. 109-171, §8017(a)(1)(B), substituted "20" for "35".

1998—Subsec. (b)(3). Pub. L. 105-244, §473(a), which directed insertion of ", excluding the student's parents," after "number of family members", was executed by making the insertion after "number of the family members" to reflect the probable intent of Congress.

Subsec. (g)(2)(D). Pub. L. 105-244, §473(b)(1)(A), substituted "\$2,200 (or a successor amount prescribed by the Secretary under section 1087rr of this title);" for "\$1,750; and".

Subsec. (g)(2)(F). Pub. L. 105-244, §473(b)(1)(B), (C), added subpar. (F).

Subsec. (g)(6). Pub. L. 105-244, §473(b)(2), added par. (6).

Subsec. (j). Pub. L. 105-244, §473(c), added subsec. (j). 1997—Subsec. (c)(1)(F). Pub. L. 105-78, §609(g)(1), added subpar. (F).

Subsec. (g)(2)(E). Pub. L. 105-78, §609(g)(2), added subpar. (E).

1993—Subsec. (c)(4). Pub. L. 103-208, §2(g)(2), substituted "\$9,510" for "9,510" in table.

Subsec. (f)(3). Pub. L. 103-208, §2(g)(3), in introductory provisions, substituted "If a parent" for "Income in the case of a parent"; "(1) of this subsection, or if a parent" for "(1) of this subsection, or a parent"; and "the income" for "is determined as follows: The income".

Subsec. (g)(1)(B). Pub. L. 103-208, §2(g)(4), inserted closing parenthesis after "paragraph (2)".

Subsec. (g)(3). Pub. L. 103-208, §2(g)(5), in table added last item relating to Other.

1992—Pub. L. 102-325 amended section generally, making minor changes in subsecs. (a) to (c) and (e) to (g), in subsec. (d) substituting provisions relating to parents' contribution from assets for provisions relating to parents' income supplemental amount from assets, in subsec. (h) substituting provisions relating to student contribution from assets for provisions relating to student and spouse income supplemental amount from assets, and in subsec. (i) substituting provisions relating to adjustments to parents' contribution for enrollment periods other than 9 months for purposes other than subpart 2 of part A of this subchapter for provisions relating to adjustments for enrollment periods other than 9 months.

1987—Subsec. (c)(2), (4). Pub. L. 100-50, §14(1), substituted "section 1087rr of this title" for "section 1087ss of this title".

Subsec. (c)(7). Pub. L. 100-50, §14(2), struck out "National" before "Center".

Subsec. (d)(2)(B). Pub. L. 100-50, §14(3), substituted "displaced homemaker" for "dislocated homemaker".

Subsec. (d)(2)(C). Pub. L. 100-50, §14(1), substituted "section 1087rr of this title" for "section 1087ss of this title".

Pub. L. 100-50, §14(4), added table after subpar. (C) and struck out former table which read as follows:

"Adjusted Net Worth of a Business or Farm	
If the net worth of a business or farm is—	Then the adjusted net worth is:
Less than \$1	\$0
\$1-\$65,000	40 percent of NW
\$65,001-\$195,000	\$26,000 plus 50 percent of NW over \$65,000
\$195,001-\$325,000	\$91,000 plus 60 percent of NW over \$195,000
\$325,001 or more	\$169,000 plus 100 percent of NW over \$325,000'

Subsec. (d)(4)(B). Pub. L. 100-50, §14(5), substituted "\$15,999" for "\$15,000".

Subsec. (d)(4)(C). Pub. L. 100-50, §14(6), substituted "\$16,000" for "\$15,000" in three places.

Subsec. (d)(4)(D). Pub. L. 100-50, §14(7), substituted "income is less than zero" for "income is equal to or less than zero".

Subsec. (e). Pub. L. 100-50, §14(8), inserted a minus sign before "\$3,409" in two places in table.

Subsec. (g)(1)(C). Pub. L. 100-50, §14(9), substituted "paragraph (2)" for "paragraph (3)".

Subsec. (g)(3). Pub. L. 100-50, §14(10), inserted "(or a successor table prescribed by the Secretary under section 1087rr of this title)" after "following table".

Subsec. (h). Pub. L. 100-50, §14(11), added subsec. (h) and struck out former subsec. (h) which read as follows: "The student (and spouse) supplemental income amount from assets is determined by multiplying by 35 percent the sum of—

"(1) the current balance of checking and savings accounts and cash on hand; and

"(2) the net value of investments and real estate, including the net value in the principal place of resi-

dence except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a dislocated homemaker (as defined in section 1087vv(e) of this title).”
Subsec. (i). Pub. L. 100-50, §14(12), added subsec. (i).

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 2007 AMENDMENT

Pub. L. 110-84, title VI, §601(e), Sept. 27, 2007, 121 Stat. 804, provided that: “The amendments made by this section [amending this section and sections 1087pp, 1087qq, and 1087rr of this title] 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.

Pub. L. 109-171, title VIII, §8017(a)(2), Feb. 8, 2006, 120 Stat. 173, provided that: “The amendments made by paragraph (1) [amending this section] shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2007.”

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244, effective Oct. 7, 1998, and applicable with respect to determinations of need under this part for academic years beginning on or after July 1, 2000, 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.

§ 1087pp. Family contribution for independent students without dependents other than a spouse

(a) Computation of expected family contribution

For each independent student without dependents other than a spouse, the expected family contribution is determined by—

(1) adding—

(A) the family’s contribution from available income (determined in accordance with subsection (b) of this section); and

(B) the family’s contribution from assets (determined in accordance with subsection (c) of this section);

(2) dividing the sum resulting under paragraph (1) by the number of students who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate,

or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 1094 of this title during the award period for which assistance under this subchapter and part C of subchapter I of chapter 34 of title 42 is requested; and

(3) for periods of enrollment of less than 9 months, for purposes other than subpart 2 of part A of this subchapter—

(A) dividing the quotient resulting under paragraph (2) by 9; and

(B) multiplying the result by the number of months in the period of enrollment;

except that the amount determined under this subsection shall not be less than zero.

(b) Family’s contribution from available income

(1) In general

The family’s contribution from income is determined by—

(A) deducting from total income (as defined in section 1087vv of this title)—

(i) Federal income taxes;

(ii) an allowance for State and other taxes, determined in accordance with paragraph (2);

(iii) an allowance for social security taxes, determined in accordance with paragraph (3);

(iv) an income protection allowance of the following amount (or a successor amount prescribed by the Secretary under section 1087rr of this title)—

(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2)—

(aa) for academic year 2009–2010,

\$7,000;

(bb) for academic year 2010–2011,

\$7,780;

(cc) for academic year 2011–2012,

\$8,550; and

(dd) for academic year 2012–2013,

\$9,330; and

(II) for married students where 1 is enrolled pursuant to subsection (a)(2)—

(aa) for academic year 2009–2010,

\$11,220;

(bb) for academic year 2010–2011,

\$12,460;

(cc) for academic year 2011–2012,

\$13,710; and

(dd) for academic year 2012–2013,

\$14,960;

(v) in the case where a spouse is present, an employment expense allowance, as determined in accordance with paragraph (4); and

(vi) the amount of any tax credit taken under section 25A of title 26; and

(B) assessing such available income in accordance with paragraph (5).

(2) Allowance for State and other taxes

The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 1087vv of this title) by a percentage determined ac-