11 Common FAFSA Mistakes

1. Not Completing the FAFSA Form

I hear all kinds of reasons: "The FAFSA form is too hard." "It takes too long to complete." "I'll never qualify anyway, so why does it matter?" It *does* matter. For one, contrary to popular belief, there is no income "cut-off" when it comes to federal student aid. Also, the FAFSA form is not just the application for federal grants such as the Federal Pell Grant, it's also the application for Federal Work-Study funds, federal student loans, and even scholarships and grants offered by your state, school, or private organization. **If you don't complete the FAFSA form, you could lose out on thousands of dollars to help you pay for college.** It takes little time to complete, and there are "Help and Hints" provided throughout the application.

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2. Not Using the Correct Website

The official FAFSA website is **fafsa.gov.** That's ".gov"! You never have to pay to complete the FAFSA form. If you're asked to provide credit card information, you're not on the official government website.

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3. Not Filling Out the FAFSA Form as Soon as It's Available

If you want to get the most financial aid possible, fill out the FAFSA form ASAP. Some financial aid is awarded on a first-come, first-served basis, and **some states and colleges run out of money early**. Even if it seems like your school's deadline is far off in the future, get your FAFSA form done ASAP. The FAFSA form requires prior prior year tax information, which you should already have—so there's no excuse to wait!

4. Not Getting an FSA ID Before Filling Out the FAFSA Form

It's important to get an FSA ID before filling out the FAFSA form. Why? Well, because when you register for an FSA ID, you may need to wait up to three days before you can use it to sign your FAFSA form electronically. An FSA ID is a username and password that you use to log in to certain U.S. Department of Education websites, including **fafsa.gov**. You AND your parent (if you're considered a dependent student) will each need your own, separate FSA IDs if you both want to sign your FAFSA form online. DO NOT share your FSA IDs with each other! Doing so could cause problems or delays with your financial aid.

Don't wait! Create an FSA ID now: StudentAid.gov/fsaid.

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5. Not Using Your FSA ID to Start the FAFSA Form

When you go to fafsa.gov, you will be given two options to log in:

1) Enter your (the student's) FSA ID

2) Enter the student's information

If you're the student, you should choose the first option. Why? When you do, some of your personal information (name, Social Security number, date of birth, etc.) will be automatically loaded into your application. This will prevent you from running into a common error that occurs when your verified FSA ID information doesn't match the information on your FAFSA form. Also, you won't have to enter your FSA ID again to transfer your information from the IRS or to sign your FAFSA form electronically.

IMPORTANT: We recommend that you, the student, start the FAFSA so you can choose the option "Enter your (the student's) FSA ID." However, **if you are a parent who is starting a FAFSA on your child's behalf, you should use the option "Enter the student's information"** because you should not know your child's FSA ID..

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6. Not Using the IRS Data Retrieval Tool (IRS DRT)

Note: The IRS DRT returned with the 2018–19 FAFSA form on Oct. 1, 2017, with additional security and privacy protections added.

For many applicants, the most difficult part about filling out the FAFSA form is entering the financial information. But thanks to a partnership with the IRS, students and parents who are eligible can automatically transfer their necessary tax information into the FAFSA form using the IRS DRT. It's the fastest, most accurate way to enter your tax return information into the FAFSA form, so if you're given the option to "LINK TO IRS" button, take advantage of it!

Beginning with the 2018–19 FAFSA form, the information transferred from the IRS to your FAFSA form will no longer be displayed online. When your information is successfully transferred, you won't see your tax information. Instead, the data fields will display the message "Transferred from the IRS."
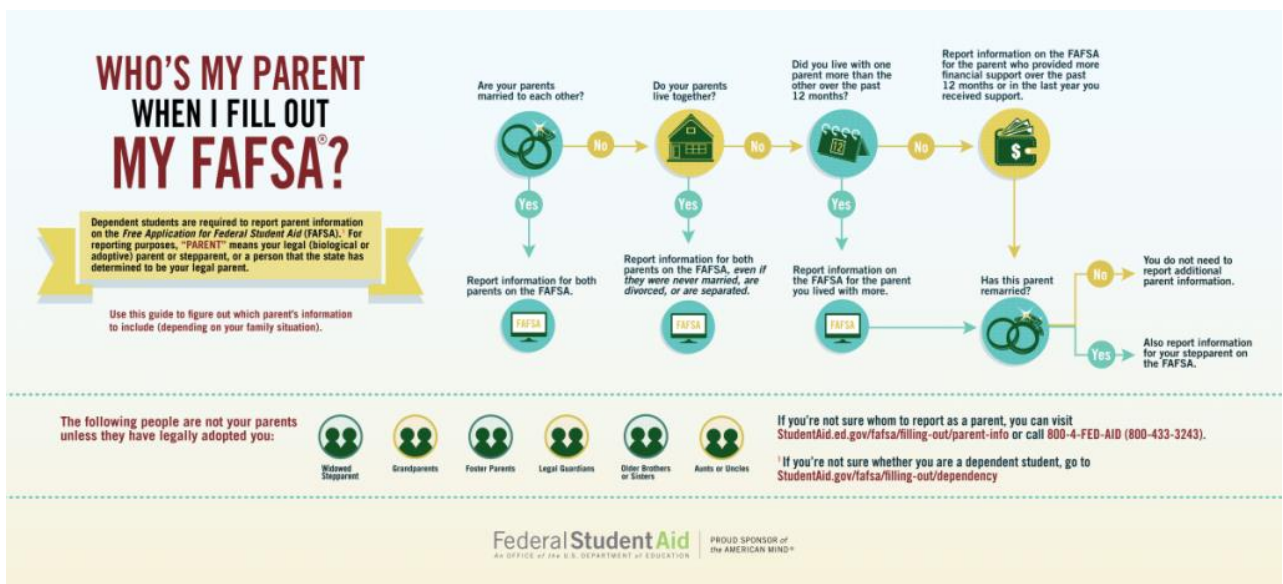

7. Not Reading Definitions Carefully

When it comes to completing the FAFSA form, you'll want to read each definition and each question carefully; sometimes the FAFSA form is looking for very specific information that may not be obvious.

Here are some items that have very specific (but not necessarily intuitive) definitions according to the FAFSA:

- **Legal guardianship**—To determine your dependency status, the FAFSA form asks, "Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence?" Many students incorrectly answer "yes" here. For **this question**, the definition of legal guardianship does not include your parents—even if they were appointed by a court to be your guardians. Also, you're not your own legal guardian.
- **Parent**—The FAFSA form has **very specific guidelines** about which parent's information needs to be reported. Spoiler alert: It has nothing to do with who claims you on their taxes.

On the FAFSA form you may be asked, "As of today, what is the marital status of your parents?" If your biological parents are divorced, but the parent with whom you lived more over the last 12 months is remarried, answer "remarried" and enter information about that parent and his or her spouse. If your biological parents are divorced and only the parent with whom you lived less is remarried, or if neither of your parents are remarried, answer "divorced."

- **Number of family members (household size)**—The FAFSA form has a specific definition of how your household size or your parents' household size should be determined. Read the instructions carefully. Many students incorrectly report this number, especially when the student doesn't physically live with the parent.
- **Number of family members in college**—Enter the number of people in your (or your parents') household who will attend college at the same time as you. Don't forget to include

yourself, but don't include your parents in this number, even if they're in college. This number should never be greater than your number of family members.

- **Net worth of investments**—We have outlined some specific items that should and shouldn't be included as investments on the FAFSA form. For example, a college savings plan such as a 529 account is considered an investment*, while the value of the home in which you live and the value of your retirement accounts are not. We highly recommend that you read this to make sure you are reporting this information correctly.
- **Taxable college grants and scholarships**—For this question, you report only college grant and scholarship amounts **that were reported to the IRS as income**. That means you should not use the amount listed on your 1098-T; you should report the amount listed on your tax return. Do not use the number in the adjusted gross income (AGI) field. Here are the tax line numbers you should reference when asked this question. If you didn't file taxes, you should enter zero.

* If you're a dependent student, the value of any college savings accounts should be reported as a parent asset, not a student asset.

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8. Inputting Incorrect Information

Here are some examples of common errors we see when people complete the FAFSA form:

- **Confusing parent information with student information**—I know there are many parents out there who fill out the FAFSA form for their children, but remember, it is the student's application. When the FAFSA form says "you" or "your," it's referring to the student, so make sure to enter your (the student's) information. If the form is asking for your parent's information, it will specify that in the question.
- **Entering information that doesn't match your FSA ID information**—After you create an FSA ID, your information (name, Social Security number, date of birth) is sent to the Social Security Administration to be verified. If you then enter a different name, Social Security number, and/or date of birth on the FAFSA form, you'll receive an error message. This is often the result of a typo or mixing up student information and parent information. To avoid delays in completing and processing your application, triple-check that you have entered your information correctly. If you encounter this error, here's how you can resolve the error.
- **Amount of your income tax:** Here, the FAFSA form is asking for your assessed income tax liability, not the amount of income tax withheld and not your AGI. I know this can be complicated. To avoid this common error, either transfer your tax information to the FAFSA form using the IRS DRT, or click here to find out which tax line number you should refer to when answering this question. (Note: It depends on which IRS form you filed.)

9. Not Reporting Required Information

- **Parent information—**Even if you fully support yourself, pay your own bills, and file your own taxes, you may still be considered a dependent student for federal student aid purposes. If so, you must provide parent information on your FAFSA form. Dependency guidelines for the FAFSA form are determined by Congress and are different from those of the IRS. Find out whether you need to provide parent information by answering these questions.If you're considered a dependent student and don't provide parent information, your FAFSA form may not be processed, you may not receive an Expected Family Contribution, and/or you may qualify for unsubsidized loans only.

- **Additional financial information—**If you follow our recommendation and use the IRS DRT, a lot of the financial information required on the FAFSA will be automatically filled in for you. However, the IRS DRT doesn't populate all the financial questions on the FAFSA form; some numbers, including many items in the "Additional Financial Information" section, must be manually entered. If you used the IRS DRT, you'll see that some boxes in that section are prechecked and the fields prefilled with "Transferred from the IRS." Those items were available to be transferred from the IRS. However, other items, such as "Payments to tax-deferred pension and retirement savings plans" and others, cannot be transferred from the IRS. You must manually review each item in the list, check the box if it applies to you, and enter the appropriate amount by referencing your relevant financial records. In the case of payments to tax-deferred pension and retirement savings plans, you can find that information on your W-2 form.

10. Listing only one college

This is a mistake unless you are applying to only one college or already know where you're going to school. Colleges can't see the other schools you've added, so you should add ALL colleges you are considering to your FAFSA form, even if you aren't sure whether you'll apply or be accepted. You can add up to 10 schools at a time.

It doesn't hurt your application to add more schools. In fact, you don't even have to remove schools you later decide not to apply to. If you don't end up applying or getting accepted to a school, the school can just disregard your FAFSA form. But you can remove schools at any time to make room for new schools.

Note: If you're a resident of certain states, the order in which you list the schools on your FAFSA form might matter.

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11. Not Signing the FAFSA Form

So many students answer every single question that is asked, but fail to actually sign the FAFSA form with their FSA ID and submit it. This happens for many reasons—maybe you forgot your FSA ID, or your parent isn't with you to sign with the parent FSA ID—so your application is left incomplete. Don't let this happen to you.

- If you don't know your FSA ID, select "Forgot username" and/or "Forgot password."
- If you don't have an FSA ID, create one.

If you're not able to sign with your FSA ID, there's an option to mail a signature page. If you would like confirmation that your FAFSA form has been submitted, you can check your status immediately after you submit your FAFSA form online.