

## Investments vs. Assets (2023-2024 FAFSA)

This information is provided to help clarify the following financial terms when you are filling out the 2023-2024 "Free Application for Federal Student Aid" (FAFSA).

The following types of investments/assets may need to be reported on your 2023-2024 FAFSA:

- Real Estate (*do not include the home in which your parents live*)
- Rental property
- Trust Funds
- UGMA and UTMA Accounts\*
- Money Market Funds
- Mutual Funds
- Certificates of Deposit
- Stocks and Stock Options
- Bonds and Other Securities
- Installment and land sale contracts (*including mortgages held*)
- Commodities
- Qualified educational benefits or educational savings accounts such as Coverdell savings accounts, 529 college savings plans and the refund value to 529 prepaid tuition plans.

\*UGMA and UTMA accounts are considered assets of the student and must be reported as an asset of the student on the FAFSA, regardless of the student's dependency status.

The following types of investments/assets are NOT to be reported on the 2023-2024 FAFSA:

- Home in which your parents live
- Cash (*already reported elsewhere on the FAFSA*)
- Savings and checking account balances (*already reported elsewhere on the FAFSA*)
- Value of life insurance, ABLE accounts, and retirement plans [401(k) plans, pension funds, annuities, non-educational IRA's, Keough plans, etc.]
- UGMA and UTMA accounts for which you are the custodian, but not the owner

## Tax Schedules 2023-2024 FAFSA

Information from the following Tax Schedules from your 2021 Form 1040 Federal Income Tax Return may be needed when completing the 2023-2024 Free Application for Federal Student Aid (FAFSA).

### SCHEDULE 1: Additional Income and Adjustments to Income

You are required to use this form when filing your federal tax return if you have additional income, such as unemployment compensation, prize or award money, gambling winnings. Have any deductions to claim, such as student loan interest deduction, self-employment tax, educator expenses. Information from this Schedule may be needed when answering questions about income on the FAFSA.

### SCHEDULE 2: Additional Taxes

You are required to use this form when filing your federal tax return if you owe other taxes, such as self-employment tax, household employment taxes, additional tax on IRAs or other qualified retirement plans and tax-favored accounts, AMT, or need to make an excess advance premium tax credit repayment. Information from this Schedule may be needed when answering questions about income on the FAFSA.

### SCHEDULE 3: Additional Credits and Payments

You are required to use this form when filing your federal tax return if you can claim any credit that you didn't claim on Form 1040 or 1040-SR, such as the foreign tax credit, education credits, general business credit. Have other payments, such as an amount paid with a request for an extension to file or excess social security tax withheld. Information from this Schedule may be needed when answering questions about income on the FAFSA.

### SCHEDULE K-1 (IRS Form 1065): Partner's Share of Income, Deductions, Credits, etc.

This form is used when filing your federal tax return for reporting the distributive share of a partnership income, credits, etc. filed with Form 1065. Information from this Schedule may be needed when answering questions about income on the FAFSA.

## Reporting of “529 Education Accounts” on the 2023-2024 “Free Application for Federal Student Aid” (FAFSA)

Chart below provides guidance on how the value of a 529 Educational Investment account is to be reported on the 2023-2024 FAFSA application if the student/parent(s) are required to report asset information.

Student’s Dependency Status	Owner of 529 Plan	Reporting requirement for current value of 529 Plan on 2023-2024 FAFSA application	Reporting requirement for any distribution from 529 Plan made to the student during the 2022-2023 academic year
Dependent	Custodial Parent	Current value of all 529 plan holdings owned by custodial parent (including those where a sibling is the beneficiary) is reported as a PARENT ASSET on student’s 2023-2024 FAFSA application	NONE
Dependent	Non-custodial Parent	Not reported as an asset on the 2023-2024 FAFSA application	Amount distributed in 2022-2023 is reported as untaxed income for the student on 2023-2024 FAFSA
Dependent	Non-parent (e.g., grandparent)	Not reported as an asset on the 2023-2024 FAFSA	Amount distributed in 2022-2023 is reported as untaxed income for the student on 2023-2024 FAFSA
Independent	Student	Current value of plan is reported as a STUDENT ASSET on the 2023-2024 FAFSA	NONE
Independent	Not the student	Not reported as an asset on the 2023-2024 FAFSA	Amount distributed in 2022-2023 is reported as untaxed income for the student on 2023-2024 FAFSA