

Certain income and benefits should **not** be reported on the FAFSA

Don't include on the FAFSA the following information:

1. Student financial aid.

⚙ However, federal work-study earnings must be reported as taxed income in the income questions of the Student's Income and Assets section.

2. Supplemental Security Income (SSI)

3. Untaxed Social Security benefits,

4. Welfare payments

5. Food stamps and other programs.

Benefits received from federal, state, or local governments from the following programs are not counted as untaxed income:

- the Food Stamp Program;
- Special Supplemental Nutrition Program for Women,
- Infants and Children (WIC);
- Food Distribution Program; Commodity Supplemental Food Program;
- National School Lunch and School Breakfast Programs;
- Summer Food Service Program; and
- Special Milk Program for Children.

6. foster care payments

7. adoption payments

8. Workforce Investment Act educational benefits
9. On-base military housing or a military housing allowance
10. Combat pay\*
11. Benefits from flexible spending arrangements (for example, cafeteria plans)
12. Earned income credit
13. Additional child tax credit
14. Dependent Assistance.

You may be eligible to exclude a limited amount of benefits received for dependent care assistance if certain requirements are met. Generally, up to \$5,000 of benefits may be excluded from an employee's gross income, or \$2,500 for a married employee who files a separate return from his or her spouse. This exclusion cannot exceed the employee's (or his or her spouse's) earned income. (Note: Some states provide reimbursement for childcare expenses incurred by welfare recipients through Temporary Assistance for Needy Families [TANF]. You must report this on the application because you bill the state for the amount of childcare costs incurred while on welfare and are reimbursed on that basis.)

15. Heating/fuel assistance.

Exclude from consideration as income or resources any payments or allowances received under the Low-Income Home Energy Assistance Program (LIHEAP). (Note: Payments under the LIHEAP are made through state programs that may have different names.)

16. Per capita payments to Native Americans.

You should not report individual per capita payments received in 2010 from the Per Capita Act or the Distribution of Judgment Funds Act unless any individual payment exceeds \$2,000. Thus, if an individual payment were \$1,500, you would not report it on your application. However, if a payment were \$2,500, you would report the amount that exceeds \$2,000: \$500.

17. Employer contributions to tax-deferred pension and savings plans

18. foreign income exclusion or credit

19. federal tax on special fuels

20. Rollovers for untaxed portions of your pension distributions