State Grant and Special Programs
Phone: 1-800-692-7392 Fax: 717-720-3786
P.O. Box 8157, Harrisburg, PA 17105-8157

Estimated Income Validation Form

(Note: Deadline for returning this form and 2015 tax documents to PHEAA is April 1, 2017.)

_____
Print Student's Name

Student's Account Number
OR
Student's Social Security Number
2016-17

WHY WE ARE CONTACTING YOU

The Pennsylvania Higher Education Assistance Agency (PHEAA) is committed to ensuring that the Pennsylvania State Grant Program is administered with the utmost attention to integrity and accuracy. As part of this commitment, Income Validation Reviews are performed annually on a number of applications to ensure that accurate data was used to determine eligibility for Pennsylvania State Grant aid.

WHAT THIS MEANS TO YOU

Your 2016-17 Pennsylvania State Grant application has been selected as part of this annual Income Validation Review process. If there are other members of your family attending college during the 2016-17 Academic Year, list their account number(s) or Social Security Number(s) here:

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WHAT ACTIONS YOU NEED TO TAKE

It is important that you provide the following income tax-related information:

If you are considered a dependent student you must submit the following:

- A signed copy of your parent(s)'/stepparent's 2015 U.S. Income Tax Return(s) along with any other supporting forms and schedules. If you filed an amended return (1040X), please include a copy of the original tax return, as well as the amendment.
- A copy of your parent(s)'/stepparent's 2015 Wage and Tax Statements (W-2 Forms). W-2's should be legible and contain figures in Box 1 and either Box 16 or 18.
- A copy of each 2015 Form 1099 (other than Interest and Dividends).
- A copy of the most recent U.S. Partnership and/or Corporation Tax Return(s), including completed balance sheet(s) and K-1 Schedules (if your parent(s)/stepparent have an interest in a corporation and/or partnership).
- A copy of this letter, ensuring that you provide your PHEAA-assigned account number or Social Security Number which will aid in the identification of incoming information.

If you are considered an independent student you must submit the following:

- A signed copy of your and your spouse's, if married, 2015 U.S. Income Tax Return(s) along with any other supporting forms and schedules. If you filed an amended return (1040X), please include a copy of the original tax return, as well as the amendment.
- A copy of ALL 2015 Wage and Tax Statements (W-2 Forms). W-2's should be legible and contain figures in Box 1 and either Box 16 or 18.
- A copy of each 2015 Form 1099 (other than Interest and Dividends).
- A copy of the most recent U.S. Partnership and/or Corporation Tax Return(s), including completed balance sheet(s) and K-1 Schedules (if you and/or your spouse have an interest in a corporation and/or partnership).
- A copy of this letter which will aid in the identification of incoming information.

Mail documentation to: PHEAA
PO Box 8157
Harrisburg, PA 17105-8157

You must submit this information within the next 30 days. PHEAA will be unable to complete the processing of your Pennsylvania State Grant application until all necessary information has been received and reviewed, which could delay disbursement of funds to your school and may result in the cancellation of your award. No information can be accepted after April 1, 2017 unless this email is dated after March 1, 2017, you must then respond within 30 days for your information to be considered.

We have enclosed a list of frequently asked questions to aid you in responding to this Income Validation Review process. Customer service representatives are also available to answer any questions you may have and can be reached, toll-free, at 1-800-692-7392 (TTY: Dial 711 for hearing impaired).

State Grant and Special Programs

Enclosure(s)

Frequently Asked Questions
Income Validation Review Process

Am I required to provide this information?

If you do not respond to this request and funds have already been sent to your school, we will request repayment of any funds you may have received; if funds have not been sent to your school and you choose not to respond, then no further processing of your application will occur.

Can this review impact my award amount?

Yes. If the income information you provide to us is different than the income information provided on your Free Application for Federal Student Aid (FAFSA), your award amount may be changed.

Will I receive notification once the review process has been completed?

Yes. Students are encouraged to view and manage their Pennsylvania State Grant application/record online. You may do this through Account Access located at pheaa.org. You may also receive notification and/or requests for additional information from us via email (using the email address you provided on your FAFSA). Please note that providing a valid email address enables the State Grant Program to more efficiently communicate with you.

My school has requested similar information (or I have already supplied my school with this information). Do I need to submit this information to both PHEAA and the school?

Yes. Schools do conduct their own verification and it is not uncommon for students to receive requests for income information from both the school and PHEAA.

I have other family members in school who also have a Pennsylvania State Grant application with PHEAA. Are they impacted by this request?

Yes. Only one copy of the information requested is required. However, all information received may be used in the Income Verification Review process for both you and any family members that may have an active Pennsylvania State Grant record on file.

How long will it take PHEAA to complete this review?

Provided that all necessary information has been included in your response, you can expect this review to be completed in about 30 business days of receipt; more complex reviews and/or incomplete responses can extend this review period.

What should I do if my parent(s)/stepparent or I and my spouse do not have a copy of the 2015 U.S. Income Tax Return?

In those cases, copies should be requested from the tax preparer; copies may also be requested directly from the Internal Revenue Service (IRS).

Will you accept a Form 8453(U.S. Individual Income Tax Declaration for an IRS e-file return)?

No. A Form 8453 cannot be used as a substitute for the complete U.S. Income Tax Return.

My parents or parent and stepparent are separated or divorced but filed a joint 2015 U.S. Income Tax Return. What should I do?

The joint tax return should still be submitted. However, you should also complete and return a 'Separation/Divorce Form' along with their income-tax information. This form can be found on our web site, pheaa.org, under 'Funding Opportunities, State Grant Program, Documents and Forms'.

My spouse and I are separated or divorced but filed a joint 2015 U.S. Income Tax Return. What should I do?

The joint tax return should still be submitted. However, you should also complete and return a 'Separation/Divorce Form' along with your income-tax information. This form can be found on our web site, pheaa.org, under 'Funding Opportunities, State Grant Program, Documents and Forms'.

During 2015, payments were made into tax-deferred plans. How should this be reported to PHEAA?

Payments to tax-deferred pension plans (paid directly or withheld from earnings) will be used as untaxed income and will be determined by subtracting the federal taxable wages (box 1 of W-2 Form) from the state/local taxable wages (box 16 or 18, whichever is higher) to calculate voluntary and involuntary amounts. However, the amount which the Agency will use may be greater depending upon the

specific references to tax-deferred contribution amounts on the W-2 Forms. Where it is clearly reported on the W-2 Form that tax-deferred income represents payments to a flexible pre-tax account for medical/dental expenses, the Agency will not use such. However, where not clearly shown the flexible pre-tax medical/dental expenses may be used unless you submit verification of these pre-tax amounts.

PHEAA considers me a 'dependent' student. Do I need to send a copy of my income taxes as well?

No, dependent students are asked to provide their supporting parent(s)'/stepparent's income tax information.

PHEAA considers me an 'independent' student, and I am married. Do I need to send a copy of my spouse's income taxes as well?

Yes. If you were married at the time you completed your FAFSA (even if you were not married in 2015), you should also include your spouse's income taxes.

What if I cannot provide the required information within the 30 days?

You should contact us immediately if you will be unable to provide this information within the requested timeframe. Remember, we will be unable to complete the processing of your Pennsylvania State Grant application until all necessary information has been received. No information will be accepted after April 1, 2017.