

COLLEGE

The FAFSA: File Early to Get Aid for College

Even if you don't think you'll qualify, apply for federal student aid via the FAFSA. You may be surprised.



(Image credit: iStockphoto)

The Free Application for Federal Student Aid (FAFSA) became available on October 1 for the 2023–24 academic year. Why should you care? If you or your child is attending college, the FAFSA determines eligibility for federal student aid, including grants and work-study.

The FAFSA is available at www.studentaid.gov. It typically takes from 30 to 60 minutes to complete, yet many students (or their parents) wait to file it or never file it at all.

The sooner you file, the more likely you are to qualify for a greater amount of aid. Students who apply for financial aid during the first three months tend to get twice as much grant money as students who file the FAFSA later, says Mark Kantrowitz, author of *How to Appeal for More Financial Aid*.

A total of 15 states award grants for their colleges and universities on a first-come, first-served basis, until the money runs out. And about a dozen states have early deadlines—as early as December in the year prior to the academic year in question, and some in January, February or March. Also, colleges themselves typically have early deadlines to apply for their own financial aid. Some colleges have a preferred deadline and a regular deadline, but both usually fall during

the winter months. Colleges also typically award other types of aid, such as work-study or grants, early on.

Fill Out a FAFSA No Matter What

Even for students who think they won't qualify for much need-based aid, it's generally still worth filling out and submitting the FAFSA. At a minimum, you can borrow unsubsidized direct student loans, which are federal loans that do not require any demonstrated financial need or a cosigner, such as a parent, and have generous forgiveness provisions. Federal student loans offer the most protections and benefits and should be the first resource you turn to, says Michael Kitchen, managing editor at Student Loan Hero, a subsidiary of Lending Tree.

Ultimately, filing the FAFSA isn't binding, and for the most part it can only help. Students don't need to take out all—or any—of the loans that are offered. "They might offer you somewhat more than you need, so you don't have to borrow that whole amount," says Kitchen. And you want to borrow as little as you can, he says. Despite recent loan forgiveness, new debt is still debt; it will likely have to be repaid eventually. The more a student can cover now, the smaller the financial burden later on.

Filing the FAFSA Won't Hurt Admissions Chances (Usually)

Some students avoid the FAFSA because they worry that applying for aid will reduce their chance of admission. Here's the reality: Your finances won't affect your admissions odds at the hundreds of "need blind" schools, which include all in-state public colleges and universities and approximately 100 (mostly elite) private colleges. Admissions at dozens of other private colleges are "need sensitive," but that should not deter you from applying for aid—especially for the first academic year. "Because many of these colleges that are 'need sensitive' don't want students and their parents to game the system," Kantrowitz says, "if you don't apply for financial aid for your freshman year, you will be ineligible for the college's own grants in subsequent years unless you demonstrate that your financial circumstances have changed drastically."

If filling out the FAFSA early means you get rejected from a dream college because you couldn't afford it, refocus on schools that take a holistic approach to admissions, are need-blind and, preferably, give you the aid you need to avoid crushing debt.

Kiplinger

Kiplinger is part of Future plc, an international media group and leading digital publisher
© 2022 Future US LLC