



Student/Spouse Asset Letter 2011-2012

Student Name: _____

Student ID #: _____

As you know, your financial aid file is in the process of being verified for 2011-2012. Verification involves the comparison of information reported on the Free Application for Federal Student Aid (FAFSA) with data submitted to the Internal Revenue Service on your Federal Tax Returns. Please complete the following information below & return this form to our office so we may continue processing your verification.

Based on the review of your (or your spouse's) 2010 Federal Tax Returns, you are not eligible to file the 1040A/EZ tax form. However, your FAFSA application does not reflect asset values. Please complete the following information so it may be included on your application. If the tax return indicates assets, a "Ø" may not be an accepted value. **For a more detailed explanation of what assets to report, see the second page.**

* Net worth (value minus debt) of real estate and investments \$ _____
(as of the date you filed the 2011-2012 FAFSA Application)

* Net worth (value minus debt) of business and/or investment farms \$ _____
(as of the date you filed the 2011-2012 FAFSA Application)

(Partnerships, farms, and/or S Corps) Check here if your asset is a small business that your family owns and controls more than 50% of the business and the business has fewer than 100 full time or full time equivalent employees.

* Value of Cash, Checking, & Savings Accts \$ _____
(as of the date you filed the 2011-2012 FAFSA Application)

If desired, you may submit a brief explanation along with the above figures:

Explanation:

Certification: I certify that the information reported above is true and correct, to the best of my knowledge. Also I agree to provide additional documentation if requested based on how I answered the above questions.

Signature of owner of the asset (student or spouse)

Date

If you have questions about how to fill out this form, please contact our office at 801-581-6211. Please return form to the Financial Aid Office, University of Utah, 201 S 1460 E, Rm 105, Salt Lake City, UT 84112, or you may fax it to (801) 585-6350.

Financial Aid and Scholarships
201 South 1460 East, Room 105
Salt Lake City, UT 84112-905;
(801) 581-6211; Fax: (801) 585-6350
<http://www.sa.utah.edu/finance/>

Guidance for Reporting Asset information on the FAFSA Application

- An asset is property that is owned by the family and has an exchange value. A student or parent does not report as assets possessions such as a car, a stereo, clothes, or furniture.
- The FAFSA collects current (as of the day of signing the FAFSA) data about three types of assets in addition to cash, savings, and checking accounts: investments, businesses, and investment farms.
- Most assets are investments; examples include college savings plans, Coverdell savings accounts, real estate, installment and land sale contracts (including mortgages held), trust funds, mutual funds, money market funds, UGMA and UTMA accounts, certificates of deposit, stocks, stock options, bonds, commodities, and precious metals. If the asset isn't a business or investment farm, it should be reported as an investment.
- A family's principal place of residence is not reported as an asset, even if it is part of a business. Neither is a family farm reported as an asset—only investment farms are.
- The FAFSA asks for the net worth of investments, which is their total current market value minus their associated debts. If their net worth is negative, the student reports a zero.
- Similarly for businesses and investment farms, the current net worth is reported for land, buildings, machinery, equipment, livestock, and inventories. The current market value of a business or investment farm is reduced by the debt owed on it to determine the net worth. Business or farm debt means only those debts for which the business or farm was used as collateral.
- Family-owned and controlled small businesses (which can include farms) that have 100 or fewer full-time or full-time equivalent employees do not count as an asset.
- 529 Plans/Coverdell Savings: these Qualified Educational Benefits are the asset of the owner, not the Beneficiary. These are excluded from reported assets if the owner is a family member other than a parent. They should be included if the owner is a dependent student.
- Trust Funds: Trust funds in the name of a student, spouse, or parent should be reported as that person's asset on the application, generally even if the beneficiary's access to the trust is restricted. If the settlor of a trust has voluntarily placed restrictions on its use, then the student should report its present value as an asset. If a trust has been restricted by court order, however, the student should not report it.