

**Internal Revenue Service (IRS)
Free Application For Federal Student Aid (FAFSA)**

June 14, 2010

Project Overview- Background

- Federal Student Aid (FSA) mandated through the American Recovery and Reinvestment Act to simplify the Free Application for Federal Student Aid (FAFSA) process
- IRS and FSA data exchange discussions begin (*December 2007*)
- Decision made to allow students and parents access to IRS tax data needed to complete the FAFSA (*March 2009*)
- The IRS solution, the Federal Student Aid-Datashare (FSA-D) application, successfully deployed January 28, 2010.

FSA-D Interface with Department Of Education

- FSA-D is accessible from within the FAFSA application process only.
- FSA-D has no direct interface with the Department of Education.
- FSA-D has external interfaces to taxpayer (and third party) web browsers and IRS programs.
- Data is transferred to and from the Department of Education through an 128 bit SSL encrypted HTTP Post via the taxpayer's browser.

Modernized Production Systems and Services

- FSA-D interacts with production programming to retrieve information from the Individual Return Transaction File (IRTF).
- FSA-D logs messages to the Security Audit and Analysis System (SAAS) which implements a data warehousing solution to provide on-line analytical processing of audit trail data.

Department of Education Process

- Department of Education (ED) Applicant (Student or Parent) initiates the on-line process for Free Application For Student Aid (FAFSA)
 - Includes application for a PIN (if not previously secured)
 - User provides SSN, Name, DOB, Address and selects a challenge question to activate the PIN
 - User information validated through Social Security Administration (SSA)
 - User- or ED-created PIN provided to user instantly, via email or through postal service
 - PIN considered conditional until validated by SSA and can only be used to sign the FAFSA (SSA validation completed within one to three days)
- Applicant completes the applicable FAFSA On The Web (FOTW) Input Screens
 - User's SSN, DOB, Name and PIN collected
- Link to IRS FSA-D is displayed

IRS FSA-D Input Screen

 [Log Out](#) | [Help](#)

Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

Enter the following information as it appears on your 2008 Federal Income Tax Return. [?](#) Required fields *

| | |
|--|---|
| First Name * | <input type="text" value="Yellow"/> |
| Last Name * | <input type="text" value="Myrtle"/> |
| Social Security Number * | AAA - AA - 0053 |
| Date of Birth * | <input type="text" value="02"/> / <input type="text" value="22"/> / <input type="text" value="1964"/> |
| Address * ? P.O. Box and/or Street Address | <input type="text"/> <input type="text"/> |
| Apt. Number (Required if it appears on your tax return) | <input type="text"/> |
| Country * | <input type="text" value="United States"/> |
| City, Town or Post Office * | <input type="text"/> |
| State/U.S. Territory * | <input type="text" value="Select One"/> |
| Zip Code * | <input type="text"/> |
| Filing Status * | <input type="text" value="Select One"/> |

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

[IRS Privacy Policy](#)

IRS FSA-D Data Elements to User

IRS.gov [Log Out](#) [Help](#)

Parent 2008 Federal Income Tax Information

The information below is your tax information that will help you answer some of the questions on the FAFSA.

| | My Tax Information | FAFSA Question Numbers |
|-----------------------------|--------------------|----------------------------------|
| Tax Year | 2008 | |
| Name(s) | Yellow Myrtle | |
| Social Security Number | *** - ** - 0053 | |
| Filing Status | Head of Household | |
| Type of Tax Return Filed | 1040 | Question 83 on the FAFSA |
| Adjusted Gross Income | \$10,180 | Question 86 on the FAFSA |
| Income Tax | \$3,868 | Question 87 on the FAFSA |
| IRS Exemptions | 5 | Question 88 on the FAFSA |
| Education Credits | \$2,239 | Question 94a on the FAFSA |
| IRA Deductions and Payments | \$1,182 | Question 95b on the FAFSA |
| Tax-Exempt Interest Income | \$117 | Question 95d on the FAFSA |
| Untaxed IRA Distributions | \$9,010 | Question 95e on the FAFSA |
| Untaxed Pensions | \$9,010 | Question 95f on the FAFSA |

Transfer My Tax Information into the FAFSA

The tax information provided above will populate the answers to the appropriate FAFSA questions. After the FAFSA is populated your IRS session will end and return you to FAFSA on the Web. Check this box if you are choosing to transfer your information.

Print this page for your records before clicking the "Transfer Now" button.

Do Not Transfer My Tax Information

By clicking the "Log Out" button, you are choosing not to transfer your tax information electronically. You may still use this tax information to input the data into your FAFSA application. Print this page for your records before clicking the "Log Out" button.

[Transfer Now](#)

[Log Out](#)

User Returns to on-line FAFSA

START HERE
GO FURTHER
FEDERAL STUDENT AID™

FAFSA
Free Application for Federal Student Aid

Help Contact Us FAQs Live Help

1 Info About You (the Student)
2 Your Dependency Status
3 Your Parents' Information
4 Your Finances
5 Schools to Receive Your Results
6 Preparer's Information
7 Review FAFSA and Apply Signatures
8 Submit Your FAFSA

Your Parents' Information

You have successfully transferred your 2008 IRS tax information.

Your IRS tax information will display throughout the FAFSA with the notation "Transferred from the IRS".

What income tax return did your parents file or will they file for 2008 (question 83)?

Transferred from the IRS
IRS 1040

If your parents have filed or will file a 1040, were they eligible to file a 1040A or 1040EZ (question 84)?

Select **Yes** if your parents filed or will file a 1040 but were eligible to file a 1040A or 1040EZ.

In general, your parents are eligible to file a 1040A or 1040EZ if they:

- Make less than \$100,000 per year,
- Do not itemize deductions,
- Do not receive income from their own business or farm,
- Do not receive self-employment income or alimony,
- Are not required to file Schedule D for capital gains.

Your parents are **not** eligible to file a 1040A or 1040EZ if they:

- Make \$100,000 or more per year,
- Itemize deductions,

Select

Done Internet

Current Statistics

- Statistics from January 28, 2010 through June 10, 2010
 - 612,279 users requested access
 - 324,018 users successfully authenticated (52.9 *percentage of volume*)
 - 303,118 users transferred tax information to FAFSA (49.5 *percentage of volume*)

Planned Enhancements

- *Changes to the FAFSA question numbers
 - Change the design to display the FAFSA form question numbers that correspond to the version of the form being completed by the applicant.
- *Return Correlation ID of all FSA-D Users
 - Improves the user experience by enabling ED to return users exiting the FSA-D to the appropriate section of the FAFSA.
- *Spanish language version
 - Mirror the features and functionality of the English language FSA-D.
- Non-editable date of birth field
 - Enhance the Security and Privacy of the FSA-D application by changing the Date of Birth field on the Authentication Page from an editable to a non-editable field (*Requested by Privacy*)

*Denotes Department of Education (ED) request.



Questions and Comments