

PRIOR-PRIOR YEAR: WHAT YOU NEED TO KNOW

COLLEGE COUNSELORS

PPY Primer

What exactly is PPY? PPY stands for prior-prior year, and references the tax information students use to fill out the FAFSA. Currently, the form requires tax data from the previous year. Starting in October 2016, students will complete the FAFSA using tax information from two years prior to their anticipated college entrance date. For example, a high school senior planning to enroll in college in fall 2017 would file the FAFSA using tax data from 2015.

What other changes are ahead for the FAFSA? Students will be able to file for aid beginning Oct. 1—a full three months earlier than previously allowed.

Which students will be affected?

The Class of 2017 will be the first high school cohort to file the FAFSA on the new timeline using PPY tax data. All returning college students will also submit their applications following the new procedure.

Why were the changes made?

The new procedure will better align the admission and financial aid processes, giving students and families an earlier and more accurate idea of their anticipated financial aid and college costs. It is estimated the streamlined procedure will encourage hundreds of thousands of additional students to apply for aid, and in turn, increase the number of first-generation, low-income students who pursue a college degree.

Counseling professionals have a pivotal role to play in helping students and families sort through the upcoming changes to the FAFSA.

Starting next fall, FAFSA applicants will be asked to report income information using prior-prior year tax data. And for the first time, the form becomes available on Oct. 1—a shift that will change the financial aid process for students.

Families will likely have more questions in fall 2016 about the FAFSA and paying for college than they have in the past. As you plan your communication strategy, keep these considerations in mind:

Early outreach is critical. Let students and families know that the FAFSA form will become available on Oct. 1. Ensuring that current juniors receive information prior to leaving school for the summer, as well as equipping seniors with information at the start of the school year, are examples of actions high schools could implement.

PPY should streamline the process for most families. Because 2015 tax data will be used, families won't have to worry about estimating their income or correcting it later. In addition, the shift to older tax information means that more applicants will be able to use the IRS data-retrieval tool to complete the FAFSA. The shortcut allows applicants to pre-fill the form with relevant income data, cutting down the time needed to file for financial aid.

Key admission deadlines shouldn't change. The process of applying to college will remain subject to the same calendar as before. Colleges may not set application deadlines prior to Oct. 15, nor can they require students to make an enrollment decision prior to May 1 of their senior year (with the exception of Early Decision). NACAC member colleges are expected to adhere to these dates as a condition of membership.

But other dates could shift. Some schools may choose to change their deadlines for awarding institutional aid. Financial aid professionals expect hundreds of colleges and universities to use the new FAFSA procedure to provide financial aid packages earlier than in previous years, potentially to align with offers of admission. Bottom line: It will be more important than ever for students to keep track of institutional deadlines.

Uncertainty remains. Make sure students understand the difference between estimated and confirmed award packages. Despite having earlier access to students' financial data, colleges may need to estimate awards if state grant totals aren't approved by legislatures in a timely fashion. Additionally, many colleges don't finalize tuition for the coming academic year until the spring, a critical piece of information when estimating cost of attendance.



National Association for
College Admission Counseling

NACAC is committed to supporting a successful transition to the 2017–18 FAFSA. This fact sheet is part of a series of materials about the 2017–18 FAFSA and prior-prior year guidelines. For more information, visit www.nacacnet.org/ppy.

NACAC is an organization of professionals from around the world dedicated to serving students as they make choices about pursuing postsecondary education.

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