

FAFSA, RESIDENCY AND SCHOLARSHIP ISSUES FOR US BORN YOUTH OF UNDOCUMENTED PARENTS IN SC

Residency is a question about where a person lives. Residency in a state affects your ability to receive in-state tuition and merit based scholarships. If you are interested in college and you are financially “dependent” on your parents or a spouse and under 24 years of age, both you and your parent or spouse must be a resident of the state. For more on who is “dependent,” see the Free Application for Federal Student Aid (FAFSA) website at https://studentaid.ed.gov/sa/fafsa/filling-out/dependency_or_https://studentaid.ed.gov/sa/glossary#Dependent_Student. Sometimes you may meet an exception to the dependency rule. If so, you would be financially independent and not need to prove anyone else is a resident of SC.

If a child is a US citizen, but their parents are undocumented s/he may face issues when trying to show their parents’ residency. Under SC law, a person must have lived here at least 12 consecutive months to prove they are residents of the state. However, that is not the only criteria.

Colleges and universities want to make sure that people who live in and pay taxes in other states are not cheating state residency laws. This is why they closely screen all possible students who are dependent on their parents. Colleges know parents lack legal status due to the FAFSA. The FAFSA requires students whose parents lack legal status to place nine zeros as their parents’ social security numbers (SSN). The SSNs are required so that the federal government knows the parents’ income and how much money they might have to help with education costs. The FAFSA information is shared with any colleges the student selects. The FAFSA must be completed correctly. Some common errors made by US born students of undocumented parents include:

- Placing SSNs (sometimes fake ones or ones that do not belong to parents) on the forms instead of zeros.
- Providing parent’s pay stubs that show incorrect or fake SSNs.
- A parent filing taxes as Head of Household, when they do not qualify. If taxes are filed incorrectly, the school will ask the parents to file an amended income tax return to fix the problem. If the parents refuse to file an amended income tax return, the school is not allowed to give financial aid. To learn more about the Head of Household tax filing mistake go here. <http://www.finaid.org/fafsa/headofhousehold.phtml>
- For other common errors that cause problems, go to this link – <http://www.finaid.org/fafsa/errors.phtml>.

If the university asks about your parents’ income, there are other ways to show it. For example, a letter from an employer, tax income forms (like 1099s) and bank account statements are just a few of the ways. It is best if parents have been filing taxes with an Individual Tax Identification Number (ITIN). The ITIN is a tax processing number for people who cannot have SSNs. It is used to file federal income tax returns. The government expects everyone to file taxes, with very few exceptions. The ITIN should not be entered instead of a SSN on the FAFSA form. The ITIN is only good for filing taxes. It does not give one legal status or permission to work in the country. Parents using an ITIN can show income and that they are residents of South Carolina. The IRS provides ITINs for free. For more information on ITINs go to [http://www.irs.gov/Individuals/Individual-Taxpayer-Identification-Number-\(ITIN\)](http://www.irs.gov/Individuals/Individual-Taxpayer-Identification-Number-(ITIN)).

After the university receives the FAFSA information, the residency officer will decide if the student and the parents are residents.

Students can show SC residency by having some of the following that have their name and SC addresses:

- Driver's license or state identification card;
- High school transcripts;
- High school diploma;
- Other school records that show continuously living in the state;
- Car registration;
- SC taxes filed;
- SC voter registration;
- Any other documents that will prove the student lived here for at least 12 months.

Parents can show SC residency by having some of the following that have their names and SC addresses:

- Matricula consular cards;
- Mortgages or leases;
- Utility bills;
- School and doctor records;
- Taxes paid through an ITIN;
- Bank records;
- Proof of employment in SC for at least 37.5 hours a week;
- Any other documents that will prove the parent lived here for at least 12 months.

Many times schools will ask for a parent's SC driver's license or state identification card. The colleges want this because it is one way to prove a parent is a resident of the state and that s/he is not a resident of another state or country. Undocumented parents cannot obtain these, so students should tell the truth – that their parents do not have these types of identification. Students should then offer to show other documents that prove their parents have been residents of the state for at least 12 consecutive months. At least some documents should be well over 12 months old.

If a school decides a student is not a resident or that the parents are not residents and denies him or her a scholarship or in-state tuition, the student must appeal the decision immediately, due to time deadlines. Some colleges explain the process on their websites. If a student cannot find the information, then they should ask how to appeal. It also helps to ask for the exact reasons why the university does not believe their parents are residents in writing, if possible. Students should also write down any school official's name they spoke to or met with.

For more information on residency laws in SC, visit the SC Commission for Higher Education website. For further information or if you have questions, contact Tammy Besherse at tammy@scjustice.org

Last updated January 2016

This brochure was published by the South Carolina Appleseed Legal Justice Center. South Carolina Appleseed Legal Justice Center is dedicated to advocacy for low-income people in South Carolina to effect systemic change by acting in and through the courts, legislature, administrative agencies, community and the media, and helping others do the same through education, training and co counseling.

To find out more about SCALJC, go to www.scjustice.org on the Internet. This brochure and others can also be found online by going to www.scjustice.org and clicking on 'Brochures.'

Copyright retained by South Carolina Appleseed Legal Justice Center.