
INSTRUCTIONS FOR COMPLETING THE FINANCIAL DATA SECTION OF THE APPLICATION

The Financial Data section of the application should be completed by parents, guardians, or by the applicant if independent. Independent is defined as one who is not claimed as a dependent by the parent/guardian for tax purposes. Information should be from a completed tax return filed with the IRS.

1. **State of Residence** is the state where the parents reside and pay state income tax.
2. **Adjusted Gross Income** can be found on IRS FORM 1040 and is gross income reduced by specific adjustments allowed by law.
3. **Total Federal Tax Paid** includes the total amount of **federal** income tax to be paid as reported on IRS FORM 1040. This is **not** the amount withheld from employee paychecks. (The amount withheld should be adjusted by any refund or additional taxes due.) Do **not** report state income tax.
4. **Total Income** of parent(s) should be reported individually. Provide information for both natural parents, when possible. If a parent has remarried, the spouse's information is required if the spouse is a legal guardian of the student, or the student is included in the spouse's benefit plan. **If necessary, two Financial Data sections may be submitted by the student.** A copy of the Financial Data section may be made in order for one to be completed by each parent.
5. **Untaxed Income and Benefits** include any other income or benefits not included in the adjusted gross income figure. Do not include untaxed contributions to retirement plans.
6. **Medical and Dental Expenses** include only those expenses not paid by insurance. Do not include premium payments.
7. **Total Cash, Checking, Savings, Cash Value of Stocks, etc.**, include liquid assets that can be used for educational expenses. **Do not include** IRA, 401k, or other retirement plan funds.
8. **Total Number of Family Members** living in the household and primarily supported by the reported income may include:
 - the applicant
 - the applicant's parents
 - other children living in the household
 - dependent college students living away from home
 - other people who live in the household and receive more than half of their support from the reported income
9. **Marital Status** is the current status of the person from whom the financial information is submitted.
10. **Of the total number of family members on line 8, Number of Students Attending College** includes family members attending a two- or four-year college, university, or vocational-technical school at least half-time. Include the applicant in this number. Do not include parents.

NOTE: Any exceptions to providing financial information as instructed above must be submitted to Scholarship America in writing.