

# Frequently Asked Questions for Military Families

One thing to remember when navigating your college choices...all states have different residency requirements. The best thing to do is to contact the school to learn about how they determine residency. Also, keep in mind that most provisions apply to active duty families and NOT retirees or government employees.

## ***I am stationed in VA but am not a VA resident. What do I put on the FAFSA form?***

Each state has its own requirements for what they consider a resident. However, students do not have the same protections as military members and spouses in claiming residency in a state other than where they are living. In most cases, the student will be a resident of the state where they are currently actually living. The primary reason the residency question is asked is to determine eligibility for state financial aid and in-state tuition. If the parent and the child do not have the same residency state additional documentation MAY be needed by the school. However, if a parent is stationed in the state the child is eligible for in state tuition regardless of residency (read more on this below). Most parents would likely put the state they are living in OR their home of record if the child is hoping to attend school in that state. Other options would be hard to justify. Again, contact the school's financial aid office for help to determine how to answer this question if unsure.

## ***Do I have to include my BAH and BAS as income on my FAFSA form?***

You do NOT include your BAH, but you DO include your BAS. BAS is reported on line 94g of the FAFSA Form.

## ***Do I have to report Combat Pay on my FAFSA form?***

Questions 45 and 94 ask about non-taxable income. You do not report Combat Pay. However, this is in a section about non-taxable income. Not all pay earned in Combat Zone Tax Exempt locations are completely non-taxable. For commissioned officers generally, combat pay in excess of the highest enlisted person's pay (plus imminent danger/hostile fire pay) is taxable. It will be coded as taxable income on the W-2, so you should be OK if you are using the W-2 taxable income figure—it will already be included there.

## ***We used GI Bill benefits to pay for school last year. Do we have to report that as income?***

No. Veterans education benefits, including the Post-9/11 GI Bill, are considered an entitlement, much like Social Security. That means they will not affect your Expected Family Contribution on the FAFSA. That includes both the tuition stipend and housing allowance that come with the Post 9/11 GI Bill. You do not have to report GI Bill eligibility on the FAFSA. Also, if you use the GI Bill benefits and have a 529 Plan, the law allows for you to withdraw the entitlement amount from your 529 without penalty under the scholarship provision.

## ***Will my child be eligible for in state tuition if I use the GI bill?***

One subject that is very confusing is what the law says about in-state residency for purposes of college tuition when the student is an active duty dependent using transferred

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Post 9/11 GI Bill benefits. In 2014, the U.S. Congress enacted the Choice Act, which requires public higher education institutions to offer in-state tuition rates to qualified veterans and their dependents regardless of state residency status.

- Eligibility for in-state tuition rates under the Choice Act
  - The following “covered individuals” are eligible for in-state tuition rates and fees under the Choice Act: A spouse or child using transferred benefits who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls **within three years of the transferor’s discharge** from a period of active duty service of 90 days or more.
  - A spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls **within three years of the servicemember’s death in the line of duty** following a period of active duty service of 90 days or more.<sup>2</sup>

So, it seems to be the answer is YES! However, it is not as easy as that. Unfortunately, the answer is really “it depends”. ***It depends on your school’s policy and rules: By law, schools can have additional requirements that must be met for a “covered individual” to be charged the resident rate for tuition and fees. Also, keep in mind that most cases the student must be enrolled within 3 years of the veteran’s discharge from active duty! So, retirees with younger kids may not qualify under provisions of the law. They may however, qualify based on an individual school policy.***

*Check with your school! An excellent explanation of this can be found at these sites:*  
<https://www.katehorrell.com/gi-bill-in-state-tuition/>  
<https://www.ecs.org/clearinghouse/01/17/42/11742.pdf>

### ***I am currently stationed and living in Virginia, but I am a resident of another state. Are my kids eligible for in-state tuition in Virginia?***

YES! Dependents of military members permanently stationed at any of the number of military bases in the state will be considered residents of Virginia for the purpose of eligibility for in-state tuition rates. Previously, a military member had to establish official residency at least a year prior to enrollment for a family member to be eligible for in-state tuition at a state-supported university in Virginia. [VA Code § 23.1-505 \(2018\)](#). Also, The Higher Education Opportunity Act of 2008 requires that states offer in-state tuition to military family members who live in the state due to their active duty military member’s service. This means that military kids are eligible for in-state tuition where they are living in conjunction with their parent’s job. They do not need to meet any other residency requirements.

If a military family moves while their student is in college, the student is generally eligible for in-state tuition in the new location without having to meet a time-in-residence requirement. Note: this only applies to Active Duty members and NOT retirees.

While these are the “rules,” there are always exceptions. Some schools will give military kids in-state tuition just to be nice, and others different policies to help military kids. Be sure to thoroughly check out your desired schools to understand their specific policies.  
<https://www.katehorrell.com/military-kids-get-state-tuition/>

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## ***What is the Yellow Ribbon Program?***

This program helps to cover additional cost at a private college when using The Post-9/11 GI Bill. The GI Bill will pay you:

- All resident tuition & fees for a public school
- The lower of the actual tuition & fees or the National Maximum per academic year for a private school. As of August 2019, maximum amount is \$24,476.79 per academic year.

[https://www.benefits.va.gov/GIBILL/resources/benefits\\_resources/rates/ch33/ch33rates080119.asp](https://www.benefits.va.gov/GIBILL/resources/benefits_resources/rates/ch33/ch33rates080119.asp)

However, your actual tuition & fees costs may exceed these amounts if you are attending a private school or are attending a public school as a nonresident student. Institutions of Higher Learning (Degree Granting Institutions) **may elect** to participate in the Yellow Ribbon Program to make additional funds available for your education program without an additional charge to your GI Bill entitlement. These participating institutions agree to make additional funds available for your education program without an additional charge to your GI Bill entitlement. **These institutions voluntarily** enter into a Yellow Ribbon Agreement with VA and choose the amount of tuition and fees that will be contributed. VA matches that amount and issues payments directly to the institution. Some schools may have limits as to how many students can participate in the program, or limits as to how much they will contribute.

[https://www.benefits.va.gov/gibill/yellow\\_ribbon.asp](https://www.benefits.va.gov/gibill/yellow_ribbon.asp)

## ***Are there Veterans' education benefits beyond the GI Bill that my dependents can use?***

YES! VA's Survivors' and Dependents' Educational Assistance (Chapter 35) program provides education and training opportunities to eligible dependents and survivors **of certain veterans** who are **permanently and totally disabled due to a service-related condition or of veterans who died while on active duty or as a result of a service-related condition**. The benefit is paid directly to the school. The current (as of 11/2019) monthly payment for full-time training is \$1,224. Spouses are eligible for 20 years from the service member's date of death if they died on active duty, or 10 years from the date the VA determine they qualify (at 100% disability rating) or from the Veteran's date of death (there may be exceptions). Children are eligible to use the benefits between ages 18 and 26 (there may be exceptions). The benefit is available for 36 months for anyone who enrolled after August 2018.

<https://www.va.gov/education/survivor-dependent-benefits/>

## ***My child's parent died while serving on active duty. What education benefits are available?***

In addition to the VA DEA benefits and GI Bill, a surviving spouse and children may also qualify for the Fry scholarship. <https://www.va.gov/education/survivor-dependent-benefits/fry-scholarship/>

## ***Where can I find scholarships specifically for military kids?***

Many on-line searches can connect you to opportunities. Here are some resources to help your search:

- <https://www.katehorrell.com/military-scholarships/>
- <https://www.militaryscholar.org/>
- <https://www.scholarships.com/financial-aid/college-scholarships/scholarships-by-type/military-scholarships/>

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