



The Authority on Financial Aid

# 2026-2027 Financial Aid Application Procedures for Students Selected for Verification

**Verification:** A process in which students and/or parents provide proof that the information reported on the FAFSA is accurate.

- ✓ If the value on **line 5** of IRS Schedule 1-Form 1040 is from rental property, other real estate and/or from renting part of the home, submit mortgage balance statement(s) showing the unpaid mortgage balances from mortgage holders as of 12/31/2025.
- ✓ If the value on **line 5** of IRS Schedule 1-Form 1040 is from a business (1065, 1120-S or 1120), submit **all** pages and schedules of the 2024 federal Business Tax Return including Schedule L (balance sheet), Schedule K-1(s) and form 8825. If the business owns property, submit mortgage balance statement(s) showing the unpaid mortgage balances from mortgage holders as of 12/31/2025. Submit a written statement listing the addresses of all the rental properties if form 8825 is unavailable.

✓ **In addition to the 2024 IRS Tax Return Transcript, submit a copy of both Schedule 1 and Schedule E if there is a value on line 5 of your 2024 IRS Schedule 1-Form 1040**

## Submit: Schedule E pg1

Income or Loss from Rental Real Estate and Royalties

## Schedule E pg2

Income or Loss from Partnerships and S Corporations, Estates and Trusts or Real Estate Mortgage Investment Conduits

## Submit: 2024 IRS Schedule 1

**If there is a value on line 5, submit a copy of both Schedule 1 and Schedule E along with 2024 IRS Tax Return Transcript**