



Planning and Budgeting Brief

Net Effect of Tuition Increase on Students with Need, Assuming State Need Grant Increase, UW Aid Increase and New Federal Tax Credit										
	2009-10					2010-11				
Family Income	14% Tuition Increase	Expected Financial Aid Increase	Tuition Increase after Aid	Potential Federal Educational Tax Credit Increase	Total Average Net Effect	14% Tuition Increase	Expected Financial Aid Increase	Tuition Increase after Aid	Potential Federal Educational Tax Credit Increase Over 2009-10	Total Average Net Effect of Tuition Increase
<\$52,500 ¹ Husky Promise Eligible	\$875	Husky Promise eligible students will not have to pay increase	\$0	\$700-\$1,000	\$0	\$1,000	Husky Promise eligible students will not have to pay increase	\$0	\$0	\$0
\$52,500 to \$96,000 ² 70% MFI to 125% MFI	\$875	UW will increase institutional aid	<\$875	\$700 - \$2,500	\$0	\$1,000	UW will increase institutional aid	<\$736	\$0	\$0
\$96,000 to \$160,000 ³	\$875	\$0	\$875	\$2,500	\$0	\$1,000	\$0	\$1,000	\$0	\$1,000
>\$160,000	\$875	\$0	\$875	\$0	\$875	\$1,000	\$0	\$1,000	\$0	\$1,000

¹ \$52,500 is 70% of the Median Family Income for a family of four. Many students in this income range are eligible for the Husky Promise. Those students who do not receive sufficient financial aid to cover the tuition increase but who come from families with no tax liability are newly eligible for a refundable credit of up to \$1,000; those with tax liability are eligible for an additional \$700 tax credit for eligible expenses.

² Students in this group were previously able to receive the HOPE tax credit up to \$1,800 for two years. New policy increases their potential tax credit by \$700 and extends the benefit to four years.

³ Students in this group were not previously able to receive the HOPE tax credit. They or their families are now eligible to receive up to \$2,500 per year in tax credits.