

# Student Income Contribution

**How** is the Student Income Contribution Calculated for a Dependent Indiana College Student Enrolled in 2018-2019?

2017 Student Income = \$8,356

- Income Protection = \$6,570
- FICA taxes allowance = \$ 562
- State tax allowance = \$ 221
- Federal taxes paid = \$ 0

**TOTAL ALLOWANCES** = \$7,356

Excess Income (Income-Allowances) = \$500

Total Allowances subtracted from 2017 Student Income:

\$8,356  
~~-\$7,356~~  
 \$1,000

**Student Income Contribution** = \$500

50¢ of every \$1 of all earnings beyond the income protection amount are factored into the Student Income Contribution

\$1,000  
 x .50  
 \$500

*\*The income protection allowance changes annually*

**Example** of a Student Income Contribution Calculated for a Dependent Indiana College Student Enrolled in 2018-2019

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- State tax allowance = \$ 221
- Federal taxes paid = \$ 0

**TOTAL ALLOWANCES** = \$7,356

Excess Income (Income-Allowances) = \$500

Student Income Contribution = \$500