

## California Residency FINANCIAL INDEPENDENCE OVERVIEW

University residence regulations require that a student who will not reach the age of 24 by December 31st of the calendar year of the term for which classification as a resident is requested, and who is not dependent upon a parent<sup>1</sup> who meet the requirements for establishing residence for tuition purposes, demonstrate financial independence in addition to meeting the 366 day physical presence and intent requirements when seeking classification as a resident for tuition purposes. *It should be noted that this requirement makes it extremely difficult for most undergraduates who do not have a parent living in California, including transfer students from community colleges and other post-secondary institutions within California, to qualify for classification as a resident at a University of California campus.*

If you will not reach the age of 24 by December 31st, and are not dependent upon a California resident parent, you must demonstrate that you were/will not be claimed as a dependent for tax purposes by your parent(s) or any other adult for the current tax year, and for each of the two tax years immediately prior to the term for which you are seeking classification as a resident. You must also provide objective documentation demonstrating that you have sufficient financial resources, earned through your own employment and/or credit, to cover all of your living *and* educational expenses for the current calendar year<sup>2</sup>, and for each of the two calendar years immediately prior to the term for which classification as a resident is requested.

You must submit an [estimated budget](#) for the current and two previous calendar years (i.e., the calendar year of the term for which you are seeking classification as a California resident, from January 1st to the date you file your Statement of Legal Residence form or reclassification petition, and the two calendar years immediately prior), demonstrating your ability to support yourself with the funds you claim. Along with your estimated budget, you must provide objective documentation that demonstrates your total income for each calendar year (e.g., tax forms, W-2 forms, financial aid award statements, trust instruments, inheritance documents, etc.). In addition, you must submit a written statement summarizing your living arrangement(s). You must indicate the specific date you left your parents' home, and whether you have lived with other family members, with friends, with roommates, or alone during each of the calendar years for which you claim financial independence. For a *SAMPLE* budget Form to prove Financial Independent click [here](#).

If your claim of self-sufficiency is derived in whole or in part from any form of savings or trust, you must provide objective documentation that demonstrates (1) when the funds were established, (2) that the funds are sufficient to meet your living and school expenses, (3) that the funds are under your administrative control, and (4) that the funds you claim are being withdrawn by you from your financial account(s) and used by you as a means of support during the calendar year(s) for which self-sufficiency is asserted. *Please be advised that the University makes a clear distinction between merely having access to financial resources, and the actual use of those resources for self-support.* Loans or gifts from parents, regardless of the terms, during any period for which a claim of self-sufficiency is made are considered financial assistance and cannot be considered as student income. Non-institutional loans or gifts from a friend or family member other than a parent, made at or near the time of enrollment in a post-secondary institution, will also be considered financial assistance.

If all or a portion of the current and/or two previous calendar years occurred during your minority (under age 18), you must clearly demonstrate that you lived separate and apart from your parents or other family members, and were managing your own financial affairs as a minor. In most cases, an individual is not eligible to begin his/her first calendar year of self-sufficiency until reaching the age of majority (18 years or older).

Notice: This information is intended to assist students and their family members in understanding University requirements for financial independence, and is not a complete explanation of the laws regarding residency. Additional information is available from the Office of the Registrar. You are strongly encouraged to contact the campus Residence Deputy at the earliest possible date if you have questions – [sr@ucmerced.edu](mailto:sr@ucmerced.edu).

<sup>1</sup>“Parent”- the natural or adoptive parent(s) upon whom the student is financially dependent. *The term “parent” does not include step-parent(s) or guardian(s).*

## FINANCIAL INDEPENDENCE SUMMARY

In order to be classified as a resident for tuition purposes, a student must satisfy the University's financial independence requirement in addition to requirements for physical presence and intent

A. A student is considered to be financially independent if he/she meets *all* of the following criteria:

1. Is single;

**AND**

2. Was not claimed as a dependent for income tax purposes by his/her parents<sup>1</sup> or any other individual for the two tax years immediately preceding the term for which classification as a resident is requested;

**AND**

3. Can demonstrate self-sufficiency for those two years *and* the current year. Self-sufficiency is defined as the ability to support oneself financially without the help of others. When determining self-sufficiency, money earned by the student through his/her own employment, financial aid and other loans<sup>2</sup> obtained on his/her own credit, without a co-signer, will be considered acceptable student income. Loans or gifts from relatives, associates, or friends, regardless of the terms, are considered financial assistance and cannot be included as student income when determining self-sufficiency; non-institutional loans or gifts made at or near<sup>3</sup> the time the student is enrolled in an institution will also be considered financial assistance. Funds that are "gifted" to the student by a relative, associate, or friend, through a "college fund," savings, trust, or other financial vehicle, will not be considered if the funds were established after the student's 14th birthday. "Bartering" for free room and board, or other services or necessities is considered financial assistance. A student who receives free room and board from a relative, associate, or friend is not deemed totally self-sufficient.

B. The financial independence requirement *will not* be a factor in residence determination if the student meets *one* of the following criteria:

1. The student's natural or adoptive parent(s), upon whom the student is dependent, meet the requirement for California residence for purposes of tuition and fees.

When one parent lives in California, is in a qualifying immigration status and appears to meet the physical presence and intent requirement, and the other parents lives and works out of state, the Residence Deputy may require additional information to verify that the California-resident parent has made this state the ***primary and permanent place of residence*** and has ***relinquished ties to the past place of residence***, as well as examine circumstances of the out-of-state parent;

**OR**

2. The student's parents<sup>1</sup> meet the University of California requirements for residence for tuition purposes;

**OR**

3. The student is at least 24 years of age by December 31 of the calendar year in which classification as a resident is requested;

**OR**

4. The student is a veteran of the U.S. Armed Forces;

**OR**

5. The student is a ward of the court or both parents are deceased;

**OR**

6. The student has a legal dependent other than a spouse;

**OR**

7. The student is married, a registered domestic partner, or a graduate or professional school student<sup>2</sup>, *and* was not claimed as an income tax deduction by his/her parents or any other individual for the tax year immediately preceding the quarter for which classification as a resident is requested;

**OR**

8. The student is a graduate or professional school student who is employed at UC 49% or more time (or awarded the equivalent in University-administered funds, e.g., fellowships, grants, stipends) during the term for which classification as a resident is requested;

**OR**

9. The student reached the age of majority in California while his/her parents were residents of California *and* the parents leave the state to establish a residence elsewhere *and* the student continues to be a resident of California after the parents' departure.

**NOTICE: The student is cautioned that this summation is not a complete explanation of the laws regarding residence.**

**Additional information is available from the Office of the Registrar. Changes may be made in the residence requirements between the publication date of this statement and the relevant residence determination date. Please email any questions to the Residence Deputy at [slr@ucmerced.edu](mailto:slr@ucmerced.edu).**

<sup>1</sup>"Parent"- The natural or adoptive father or mother upon whom the student is financially dependent; or, if both parents are deceased, her/his legal guardian. *The term "parent" does not include step-parents unless expressly noted.*

<sup>2</sup>With the exception of co-signed loans (e.g., parent PLUS loans)

<sup>3</sup>The University considers "at or near" the time of enrollment in an institution to be after the student's 14th birthday.