

## § 21.4502

## 38 CFR Ch. I (7-1-08 Edition)

(iv) During the term, quarter, or semester for which the loan is granted, be enrolled on a full-time basis in pursuit of the approved program of education in which he or she was enrolled on the date his or her eligibility expired under § 21.3046 (a), (b), or (d), or § 21.3047; and

(v) Have been enrolled in a program of education on a full-time basis—

(A) On the date his or her period of eligibility expired under § 21.3046 (a), (b), or (d), or § 21.3047; or

(B) On the last date of the ordinary term, semester or quarter preceding the date his or her eligibility expired under § 21.3046 (a), (b), or (d), or § 21.3047, if the delimiting date fell during a school break or summer term.

(Authority: 38 U.S.C. 3512(f), 3698)

(c) *Limitations.* The period for which a loan may be granted shall not extend beyond the earliest of the following dates:

(1) Two years after the expiration of the period of eligibility as determined by § 21.3046(a), (b), or (d), or § 21.3047;

(2) The date on which the eligible spouse's or surviving spouse's entitlement is exhausted; or

(3) The date on which the eligible spouse or surviving spouse completes the approved program of education which he or she was pursuing on the date the delimiting period determined by § 21.3046 (a), (b), or (d), or § 21.3047 expired.

(Authority: 38 U.S.C. 3512(f), 3698)

(d) *Exclusions.* No eligible spouse or surviving spouse shall be authorized an education loan if he or she has defaulted on a previous education loan and there is a remaining unliquidated payment due VA.

(Authority: 38 U.S.C. 3512(f), 3698)

[61 FR 26115, May 24, 1996, as amended at 62 FR 51785, Oct. 3, 1997]

### § 21.4502 Applications.

(a) *General.* An eligible spouse or surviving spouse shall make an application for an education loan in the manner prescribed and upon the forms prescribed by the Department of Veterans Affairs. The Department of Veterans

Affairs must receive the application no later than the last date of the term, quarter, semester, or 6-month period to which all or part of the loan will apply. The application shall be certified by the school as to the date required from the school by the Department of Veterans Affairs.

(Authority: 38 U.S.C. 3471)

(b) *Information.* The application shall provide the Department of Veterans Affairs with the following information and such other information as may be reasonable upon specific request:

(1) A statement of nontaxable income for the student for the current tax year in which the application is received by the Department of Veterans Affairs; as well as a statement of adjusted gross income for the student for the current tax year in which the application for an education loan is received by the Department of Veterans Affairs less authorized deductions for exemptions, itemized or standard deduction, whichever is greater, and mandatory withholdings such as Federal and State income taxes, social security taxes, etc.

(2) The amount of all funds of the eligible spouse or surviving spouse on hand on the date of the application including cash on hand, money in a bank or savings and loan association account, and certificates of deposit.

(3) The full amount of the tuition for the course to be paid by the eligible spouse or surviving spouse during the period for which the loan is sought.

(4) The amount of reasonably anticipated expenses for room and board to be expended by the eligible spouse or surviving spouse during the period for which the loan is sought, including a reasonable amount, not to exceed 22.5 cents per mile, for commuting normal distances to classes if the student does not reside on campus. Applications may also provide the Department of Veterans Affairs with a statement of the amount of charges for room and board which the school would have made had the school provided the eligible spouse or surviving spouse with room and board. If the school does not provide room and board, the application may provide the Department of Veterans Affairs with a statement of

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charges for room and board which the eligible spouse or surviving spouse would have received had he or she been provided room and board at the nearest State college or State university which provides room and board.

(Authority: 38 U.S.C. 3698(b))

(5) The anticipated reasonable cost of books and supplies required for the courses to be taken during the period for which the loan is sought.

[40 FR 31764, July 29, 1975, as amended at 44 FR 62507, Oct. 31, 1979; 48 FR 37996, Aug. 22, 1983; 49 FR 8920, Mar. 9, 1984; 61 FR 26116, May 24, 1996]

### § 21.4503 Determination of loan amount.

(a) *General.* The amount of the education loan shall be computed by:

(1) Determining the total amount of financial resources of the eligible spouse or surviving spouse, as defined in § 21.4500(e), which may be reasonably expected to be expended for education needs in any academic year or other loan period.

(2) Subtracting the available resources determined in paragraph (a)(1) of this section from the actual cost of attendance, as defined in § 21.4500(f), to obtain the net amount by which costs exceed the resources available for education needs. If the available resources and the costs are equal, or if the resources exceed the costs, no loan will be authorized.

(b) *Amount.* A loan shall be authorized in the amount of the excess of cost over available resources as determined in paragraph (a) of this section subject to the following limitations:

(1) If the costs exceed the available resources by \$50 or less no loan shall be granted.

(2) The aggregate of the amounts any eligible spouse or surviving spouse may borrow for an education loan may not exceed \$2,500 in any one academic year. It also may not exceed an amount determined by multiplying the number of months of educational assistance to which the eligible spouse or surviving spouse would be entitled were it not for the expiration of his or her delimiting period under 38 U.S.C. 3511 times \$376.

(Authority: 38 U.S.C. 3512(f), 3698)

(3) If a student is enrolled in a course organized on a term, quarter or semester basis, no single loan shall be authorized at one time for a period that is longer than two consecutive quarters. If a student is enrolled in a course not organized on a term, quarter or semester basis, no single loan shall be authorized at one time for a period that is longer than 6 months.

(Authority: 38 U.S.C. 3698)

(4) The Department of Veterans Affairs shall pay the following maximum amounts for these loan periods:

(i) \$1,250 for any semester.

(ii) \$830 for any term of 8 weeks or more leading to a standard college degree which is not part of the normal academic year or for a quarter.

(iii) \$1660 for two consecutive quarters.

(iv) \$270 per month for a course not leading to a standard college degree if less than 6 months long.

(v) \$1660 for a 6-month loan period based on a course not leading to a standard college degree which is 6 or more months long.

(vi) \$270 per month for a loan period of less than 6 months based on a course not leading to a standard college degree which is 6 or more months long.

(Authority: 38 U.S.C. 3512(f), 3698(b))

(5) No amount authorized will be paid by the Department of Veterans Affairs until the eligible spouse or surviving spouse is certified as being enrolled and actually pursuing the course.

(6) An eligible spouse or surviving spouse may receive more than one loan covering separate loan periods, subject to paragraphs (b)(3) and (b)(7) of this section.

(7) If the spouse or surviving spouse has a material change in economic circumstances subsequent to the original application for a loan, he or she may reapply for an increase in an authorized loan or for a loan, if otherwise qualified, if no loan was originally granted. However, the Department of Veterans Affairs will not decrease or