

[Add To Favorites](#)

If We Early Implement the July 1, 2021 R2T4 Rules, Does It Apply Only To Withdrawals On Or After Our Implementation Date?

KA-35011

Helpfulness Rating



1,075 page views

The following guidance applies only to the return of Title IV funds (R2T4) rules that are effective July 1, 2021 (with possible early implementation by the school), in accordance with the [September 2, 2020 Federal Register](#).

Yes. It depends on the school's policy for early implementation and the date you set for implementation of the R2T4 Final Rules for modules in the [September 2, 2020 Federal Register](#). If the school opts for early implementation, the school must choose the date on which it will early implement the new rules and must document that date in its policies and procedures. Then, the new rules apply to all students who withdraw or otherwise cease attendance or graduate on or after that date.

If the school chose to early implement the R2T4 rules effective with publication of the *September 2, 2020 Federal Register*, the new rules would apply only to withdrawals that took place on or after September 2, 2020, and not to withdrawals that took place earlier in the same payment period.

The school could choose to early implement the new rules starting with their spring term/payment period or starting with the summer term/payment period (assuming it starts before July 1). The school could also choose to early implement the new rules on a particular date that does not coincide with the start of a term or payment period. The school cannot, however, choose to early implement the R2T4 rules for different students at different times or for different programs at different times. Once the school sets a date for early implementation, it applies to all withdrawals that occur on or after that implementation date.

For schools that do not opt for early implementation, the R2T4 rules are applicable to all students who withdraw on or after July 1, 2021, even if that is in the middle of the summer payment period.

Note: Implementation of the new rules applies according to the student's withdrawal date, or the date the student otherwise ceases attendance or graduates, not the date of the institution's determination that the student withdrew. For example, if you wait until July 1, 2021 to implement the new rules, then the new rules apply to all students with a withdrawal date on or after July 1, 2021 even if the school's determination is made after July 1, 2021. This includes unofficial withdrawals for whom the school assigns the calendar midpoint as the withdrawal date. It also applies to both credit-hour and clock-hour programs (i.e., there is no grandfathering).

See also the Notice of Proposed Rulemaking (NPRM) in the [April 2, 2020 Federal Register](#).

Student Aid Reference Desk: For additional information, try the [Student Aid Reference Desk](#). It is a central hub of all the important financial aid resources you need with direct links to legislation, regulation, Dear Colleague Letters, and other ED and NASFAA references. It is updated on a rolling basis with the latest news and changes.

AskRegs Q&As represent NASFAA's understanding of regulatory and compliance issues. They are FOR INTERNAL USE ONLY. While NASFAA believes AskRegs Q&As are accurate and factual, they have not been reviewed or approved by the U.S. Department of Education (ED). If you should need written confirmation of AskRegs information for audit or program review purposes, please contact your [ED School Participation Division](#). NASFAA shall not be liable for technical or editorial errors or omissions contained herein; nor for incidental or consequential damages resulting from the furnishing, performance, or use of this material.

© 2021 NASFAA. All rights reserved.