

# STUDENT LOAN REPAYMENT OPTIONS

## Overview of Direct Loan and FFEL Program Repayment Plans

Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
<b>Standard Repayment Plan</b>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Subsidized and Unsubsidized Federal Stafford Loans</li> <li>• All PLUS Loans</li> <li>• All Consolidation Loans (Direct or FFEL)</li> </ul>	<ul style="list-style-type: none"> <li>• Payments are a fixed amount.</li> <li>• Up to 10 years (up to 30 years for Consolidation Loans).</li> </ul>	<ul style="list-style-type: none"> <li>• All borrowers are eligible for this plan.</li> <li>• You'll pay less over time than under other plans.</li> </ul>
<b>Graduated Repayment Plan</b>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Subsidized and Unsubsidized Federal Stafford Loans</li> <li>• All PLUS Loans</li> <li>• All Consolidation Loans (Direct or FFEL)</li> </ul>	<ul style="list-style-type: none"> <li>• Payments are lower at first and then increase, usually every two years.</li> <li>• Up to 10 years (up to 30 years for Consolidation Loans).</li> </ul>	<ul style="list-style-type: none"> <li>• All borrowers are eligible for this plan.</li> <li>• You'll pay more over time than under the 10-year Standard Plan.</li> </ul>
<b>Extended Repayment Plan</b>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Subsidized and Unsubsidized Federal Stafford Loans</li> <li>• All PLUS Loans</li> <li>• All Consolidation Loans (Direct or FFEL)</li> </ul>	<ul style="list-style-type: none"> <li>• Payments may be fixed or graduated.</li> <li>• Up to 25 years.</li> </ul>	<ul style="list-style-type: none"> <li>• If you're a Direct Loan borrower, you must have more than \$30,000 in outstanding Direct Loans.</li> <li>• If you're a FFEL borrower, you must have more than \$30,000 in outstanding FFEL Program loans.</li> <li>• Your monthly payments will be lower than under the 10-year Standard Plan or the Graduated Repayment Plan.</li> <li>• You'll pay more over time than under the 10-year Standard Plan.</li> </ul>

Source: studentaid.ed.gov

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<p><b>Revised Pay As You Earn Repayment Plan (REPAYE)</b></p>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Direct PLUS Loans made to students</li> <li>• Direct Consolidation Loans that do not include PLUS Loans (Direct or FFEL) made to parents</li> </ul>	<ul style="list-style-type: none"> <li>• Your monthly payments will be 10 percent of discretionary income.</li> <li>• Payments are recalculated each year and are based on your updated income and family size.</li> <li>• If you're married, both your and your spouse's income or loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions).</li> <li>• Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 or 25 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Any Direct Loan borrower with an eligible loan type may choose this plan.</li> <li>• Your monthly payment can be more than the 10-year Standard Plan amount.</li> <li>• You may have to pay income tax on any amount that is forgiven.</li> <li>• Good option for those seeking Public Service Loan Forgiveness (PSLF).</li> </ul>
<p><b>Pay As You Earn Repayment Plan (PAYE)</b></p>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Direct PLUS Loans made to students</li> <li>• Direct Consolidation Loans that do not include PLUS Loans (Direct or FFEL) made to parents</li> </ul>	<ul style="list-style-type: none"> <li>• Your maximum monthly payments will be 10 percent of discretionary income.</li> <li>• Payments are recalculated each year and are based on your updated income and family size.</li> <li>• If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return.</li> <li>• Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years.</li> </ul>	<ul style="list-style-type: none"> <li>• You must be a new borrower on or after Oct. 1, 2007, and must have received a disbursement of a Direct Loan on or after Oct. 1, 2011.</li> <li>• You must have a high debt relative to your income.</li> <li>• Your monthly payment will never be more than the 10-year Standard Plan amount.</li> <li>• You'll pay more over time than under the 10-year Standard Plan.</li> <li>• You may have to pay income tax on any amount that is forgiven.</li> <li>• Good option for those seeking Public Service Loan Forgiveness (PSLF).</li> </ul>

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Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
<p><b>Income-Based Repayment Plan (IBR)</b></p>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Subsidized and Unsubsidized Federal Stafford Loans</li> <li>• All PLUS Loans made to students</li> <li>• Consolidation Loans (Direct or FFEL) that do not include Direct or FFEL PLUS Loans made to parents</li> </ul>	<ul style="list-style-type: none"> <li>• Your monthly payments will be 10 or 15 percent of discretionary income.</li> <li>• Payments are recalculated each year and are based on your updated income and family size.</li> <li>• If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return.</li> <li>• Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 or 25 years.</li> <li>• You may have to pay income tax on any amount that is forgiven.</li> </ul>	<ul style="list-style-type: none"> <li>• You must have a high debt relative to your income.</li> <li>• Your monthly payment will never be more than the 10-year Standard Plan amount.</li> <li>• You'll pay more over time than under the 10-year Standard Plan.</li> <li>• Good option for those seeking Public Service Loan Forgiveness (PSLF).</li> </ul>
<p><b>Income-Contingent Repayment Plan (ICR)</b></p>	<ul style="list-style-type: none"> <li>• Direct Subsidized and Unsubsidized Loans</li> <li>• Direct PLUS Loans made to students</li> <li>• Direct Consolidation Loans</li> </ul>	<ul style="list-style-type: none"> <li>• Your monthly payment will be the lesser of                             <ul style="list-style-type: none"> <li>◦ 20 percent of discretionary income, or</li> <li>◦ The amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income.</li> </ul> </li> <li>• Payments are recalculated each year and are based on your updated income, family size, and the total amount of your Direct Loans.</li> <li>• If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return or you choose to repay your Direct Loans jointly with your spouse.</li> <li>• Any outstanding balance will be forgiven if you haven't repaid your loan in full after 25 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Any Direct Loan borrower with an eligible loan type may choose this plan.</li> <li>• Your monthly payment can be more than the 10-year Standard Plan amount.</li> <li>• You may have to pay income tax on the amount that is forgiven.</li> <li>• Good option for those seeking Public Service Loan Forgiveness (PSLF).</li> <li>• Parent borrowers can access this plan by consolidating their Parent PLUS Loans into a Direct Consolidation Loan.</li> </ul>

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Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
<b>Income-Sensitive Repayment Plan</b>	<ul style="list-style-type: none"> <li>• Subsidized and Unsubsidized Federal Stafford Loans</li> <li>• FFEL PLUS Loans</li> <li>• FFEL Consolidation Loans</li> </ul>	<ul style="list-style-type: none"> <li>• Your monthly payment is based on annual income.</li> <li>• Up to 15 years.</li> </ul>	<ul style="list-style-type: none"> <li>• You'll pay more over time than under the 10-year Standard Plan.</li> <li>• The formula for determining the monthly payment amount can vary from lender to lender.</li> </ul>

-Source: studentaid.ed.gov

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### Student Loan Repayment Options

Work with your loan servicer to choose a federal student loan repayment plan that's best for you.

To make your payments more affordable, repayment plans can give you more time to repay your loans or can be based on your income. Although you may select or be assigned a repayment plan when you first begin repaying your student loan, you can change repayment plans at any time—for free. Contact your loan servicer if you would like to discuss repayment plan options or change your repayment plan. Private student loans you may have received are not federal loans and are not included in My Federal Student Aid.

### Repay Your Federal Perkins Loan

Perkins Loan repayment plan options are not the same as those for Direct Loan Program or FFEL Program Loans. Check with your school for more information on Perkins Loan repayment plans.

### Consolidate Your Loans

If you have multiple federal student loans, you can consolidate them into a single Direct Consolidation Loan. This may simplify repayment if you are currently making separate loan payments to different loan holders or servicers, as you'll only have one monthly payment to make. There may be tradeoffs, however, so you'll want to learn about the advantages and possible disadvantages of consolidation before you consolidate.

-Source: studentaid.ed.gov