

Income Driven Repayment Plan Options

Repayment Plans	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
<p>Revised Pay As You Earn Repayment Plan (REPAYE)</p>	<p>Direct Subsidized and Unsubsidized Loans</p> <p>Direct PLUS Loans made to students</p> <p>Direct Consolidation Loans that do not include PLUS loans (Direct Loans and FFEL Program loans) made to parents</p>	<p>Your monthly payments will be 10% of discretionary income.</p> <p>Payments are recalculated each year and are based on your updated income and family size.</p> <p>If you're married, both your and your spouse's income and loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions).</p> <p>Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 or 25 years.</p>	<p>Any Direct Loan borrower with an eligible loan type may choose this plan.</p> <p>Your monthly payment can be more than the 10-year Standard Repayment Plan amount.</p> <p>You may have to pay income tax on any amount that is forgiven.</p> <p>A good option for those seeking Public Service Loan Forgiveness (PSLF).</p>
<p>Pay As You Earn Repayment Plan (PAYE)</p>	<p>Direct Subsidized and Unsubsidized Loans</p> <p>Direct PLUS Loans made to students</p> <p>Direct Consolidation Loans that do not include PLUS loans (Direct Loans and FFEL Program loans) made to parents</p>	<p>Your maximum monthly payments will be 10% of your discretionary income.</p> <p>Payments are recalculated each year and are based on your updated income and family size.</p> <p>If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return.</p> <p>Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years.</p>	<p>You must be a new borrower on or after October 1, 2007, and must have received a disbursement of a Direct Loan on or after October 1, 2011.</p> <p>You must have high debt relative to your income. Your monthly payment will never be more than the 10-year Standard Repayment Plan amount.</p> <p>You'll pay more over time than under the 10-year Standard Repayment Plan.</p> <p>You may have to pay income tax on any amount that is forgiven. A good option for those seeking Public Service Loan Forgiveness (PSLF).</p>

Income Driven Repayment Plan Options (Cont'd)

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

Income Driven Repayment Plan Options (Cont'd)

Repayment Plans	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Income-Sensitive Repayment Plan	Subsidized and Unsubsidized Federal Stafford Loans FFEL PLUS Loans FFEL Consolidation Loans	Your monthly payment is based on your annual income. Up to 15 years	You'll pay more over time than under the 10-year Standard Repayment Plan. The formula for determining the monthly payment amount can vary from lender to lender. This repayment plan is only available for FFEL program loans.

Sample Monthly Payment Amounts for Direct Program Loans

Traditional Repayment Plans												
Initial Debt	Non-Consolidation Standard			Consolidation Standard			Extended Fixed					
	Monthly	Years ¹	Total	Monthly	Years	Total	Monthly	Years	Total			
\$5,000	\$53	10	\$6,364	\$53	10	\$6,364	N/A	N/A	N/A			
\$10,000	\$106	10	\$12,728	\$79	15	\$14,234	N/A	N/A	N/A			
\$25,000	\$265	10	\$31,820	\$165	20	\$39,597	N/A	N/A	N/A			
\$50,000	\$530	10	\$63,639	\$292	25	\$87,689	\$292	25	\$87,689			
\$100,000	\$1,061	10	\$127,279	\$537	30	\$193,256	\$585	25	\$175,377			
Initial Debt	Non-Consolidation Graduated				Consolidation Graduated				Extended Graduated			
	Initial	Final	Years	Total	Initial	Final	Years	Total	Initial	Final	Years	Total
\$5,000	\$30	\$90	10	\$6,715	\$30	\$90	10	\$6,715	N/A	N/A	N/A	N/A
\$10,000	\$60	\$180	10	\$13,431	\$48	\$144	15	\$15,306	N/A	N/A	N/A	N/A
\$25,000	\$150	\$450	10	\$33,578	\$129	\$227	20	\$41,684	N/A	N/A	N/A	N/A
\$50,000	\$300	\$900	10	\$67,157	\$234	\$410	25	\$93,104	\$234	\$410	25	\$93,104
\$100,000	\$600	\$1,800	10	\$134,313	\$430	\$753	30	\$207,886	\$467	\$820	25	\$186,207

Income-Driven Repayment Plans

Starting AGI \$25,000 unmarried with no dependents

Initial Debt	ICR					IBR ²				
	Initial	Final	Years	Total	Forgiven ³	Initial	Final	Years	Total	Forgiven
\$5,000	\$30	\$39	20	\$8,131	-	\$49	\$53	10	\$6,395	-
\$10,000	\$59	\$77	20	\$16,262	-	\$49	\$106	13.8	\$14,497	-
\$25,000	\$148	\$193	20	\$40,655	-	\$49	\$265	20	\$34,091	\$14,604
\$50,000	\$204	\$395	22.4	\$88,042	-	\$49	\$276	20	\$34,223	\$65,777
\$100,000	\$204	\$968	25	\$152,534	\$80,213	\$49	\$276	20	\$34,223	\$165,777

Initial Debt	PAYE					REPAYE (only undergraduate loans)					REPAYE (w/ grad loans)				
	Initial	Final	Years	Total	Forgiven	Initial	Final	Years	Total	Forgiven	Initial	Final	Years	Total	Forgiven
\$5,000	\$49	\$53	10	\$6,395	-	\$49	\$105	7	\$6,094	-	\$49	\$105	7	\$6,094	-
\$10,000	\$49	\$106	13.8	\$14,497	-	\$49	\$162	12.4	\$14,316	-	\$49	\$162	12.4	\$14,316	-
\$25,000	\$49	\$265	20	\$34,091	\$14,604	\$49	\$276	20	\$34,223	\$12,471	\$49	\$365	23.5	\$47,892	-
\$50,000	\$49	\$276	20	\$34,223	\$65,777	\$49	\$276	20	\$34,223	\$56,927	\$49	\$390	25	\$54,741	\$48,897
\$100,000	\$49	\$276	20	\$34,223	\$165,777	\$49	\$276	20	\$34,223	\$132,889	\$49	\$390	25	\$54,741	\$135,129

Starting AGI \$40,000 married with no dependents (spouse has no loans)

Initial Debt	ICR					IBR ²				
	Initial	Final	Years	Total	Forgiven ³	Initial	Final	Years	Total	Forgiven
\$5,000	\$36	\$45	14.8	\$7,190	-	N/A	N/A	N/A	N/A	N/A
\$10,000	\$72	\$90	14.8	\$14,380	-	N/A	N/A	N/A	N/A	N/A
\$25,000	\$181	\$225	14.8	\$35,949	-	\$118	\$265	15	\$37,767	-
\$50,000	\$361	\$450	14.8	\$71,898	-	\$118	\$504	20	\$66,814	\$30,605
\$100,000	\$379	\$931	20.8	\$175,382	-	\$118	\$504	20	\$66,814	\$133,186

Initial Debt	PAYE					REPAYE (only undergraduate loans)					REPAYE (w/ grad loans)				
	Initial	Final	Years	Total	Forgiven	Initial	Final	Years	Total	Forgiven	Initial	Final	Years	Total	Forgiven
\$5,000	N/A	N/A	N/A	N/A	N/A	\$118	\$154	3.4	\$5,477	-	\$118	\$154	3.4	\$5,477	-
\$10,000	N/A	N/A	N/A	N/A	N/A	\$118	\$198	6.8	\$11,918	-	\$118	\$198	6.8	\$11,918	-
\$25,000	\$118	\$265	15	\$37,767	-	\$118	\$360	14.3	\$37,566	-	\$118	\$360	14.3	\$37,566	-
\$50,000	\$118	\$504	20	\$66,814	\$30,605	\$118	\$504	20	\$66,814	\$27,396	\$118	\$694	24.3	\$97,425	-
\$100,000	\$118	\$504	20	\$66,814	\$133,186	\$118	\$504	20	\$66,814	\$115,587	\$118	\$694	25	\$103,659	\$103,742

These figures are estimates based on an interest rate of 5% (the average Direct Loan interest rate for undergraduate and graduate borrowers during the last five years). For the income-driven plans, the estimates assume that you live in the continental U.S. and that your income increases 5% each year. These figures use the 2020 Poverty Guidelines and Income Percentage Factors.

¹ The 'Years' column indicates the number of years in repayment.

² These values assume you are a new borrower on or after July 1, 2014.

³ The 'Forgiven' column indicates the remaining loan amount that will be forgiven after you have satisfied the repayment period requirements.

You may have to pay federal income tax on the forgiven loan amount.

**i Compare
Repayment
Plans Online**

You can get estimates of your monthly payments for each repayment plan.

Use your FSA ID (account username and password) to log in to the Loan Simulator at [StudentAid.gov/loan-simulator/](https://studentaid.gov/loan-simulator/).



U.S. Department of Education (2021). *Direct Loan Exit Counseling Guide*.