INCOME-DRIVEN REPAYMENT PLAN

Provides a lower monthly payment and an opportunity for loan forgiveness.

PROGRAM SUMMARY

Income-driven repayment (IDR) plans base monthly student loan payments on the borrower's income and family size. The payment is generally calculated as a percentage of the borrower's income. The percentage is different from plan to plan, and may change as the borrower's income or family size changes.

ELIGIBILITY

Anyone can apply for an Income-Driven Repayment Plan

TYPES OF INCOME-DRIVEN REPAYMENT PLANS

- Saving on a Valuable Education (SAVE)
- Pay As You Earn (PAYE)
- Income-Based Repayment (IBR) Plan
- Income-Contingent Repayment (ICR) Plan

QUALIFICATIONS

- To qualify for PAYE and IBR plans, the calculated payment under the plan has to be less than it would be under a standard repayment plan;
- PAYE applicants must be new borrowers. Applicant must have received a Direct Loan or FFEL Program loan on or after October 1, 2007, and cannot have had any outstanding Direct Loan or FFEL Program loans at the time of disbursement.

FEDERAL STUDENT LOAN FORGIVENESS

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COMPARE PLANS

Repayment Plan	% of Discretionary Income	Repayment Period (in years)
SAVE Plan	10%	20 for only undergraduate loans 25 if you have any graduate or professional loans
PAYE Plan	10%	20
IBR Plan (first borrowed after July 1, 2014)	10%	20
IBR Plan (borrowed before July 1, 2014)	15%	25
ICR Plan	20%	25

ADDITIONAL INFORMATION

AIA

https://studentaid.gov/manage-loans/repayment/plans/income-driven