ISAC
Illinois Student Assistance Commission

ISAC Expert Guide
to Student Loans

Student Loan Expert Guide

30% of undergraduate students borrow money from the federal government in the form of loans. If you apply for financial aid, you are likely to be offered Federal Student Loans as part of your instituations financial aid package. How do you know if that's the right choice for you?

This Student Loan Expert Guide is a tool for borrowers who may have questions such as:

1. **How do I get a federal student loan?**
2. **How do I complete entrance counseling?**
3. **How do I apply for a PLUS loan?**
4. **How do I apply for an income-driven repayment plan?**
5. **How do I apply for Public Service Loan Forgiveness (PSLF)?**

It's important to fully understand the application process, disbursement, and repayment options associated with student loans.

To ensure that you make responsible, effective decisions about funding your education, this guide provides information on Federal Student Loan forms, repayment plans, forgiveness programs, and more.

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ISAC Expert Guide to Student Loans
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Federal Student Loans for College or Career School are an Investment

You must repay your loan, so be sure you understand your options and responsibilities.

If you apply for financial aid, you may be offered loans as part of your school's financial aid offer. A loan is money you borrow and must pay back with interest.

If you decide to take out a loan, make sure you understand who is making the loan and the terms and conditions of the loan. Student loans can come from the federal government, from private sources such as a bank or financial institution, or from other organizations. Loans made by the federal government, called federal student loans, usually have more benefits than loans from banks or other private sources. Learn more about the differences between federal and private student loans.

What types of federal student loans are available?

The U.S. Department of Education's federal student loan program is the William D. Ford Federal Direct Loan (Direct Loan) Program. Under this program, the U.S. Department of Education is your lender. There are four types of Direct Loans available:

- Direct Subsidized Loans are loans made to eligible undergraduate students who demonstrate financial need to help cover the costs of higher education at a college or career school.
- Direct Unsubsidized Loans are loans made to eligible undergraduate, graduate, and professional students, but eligibility is not based on financial need.
- Direct PLUS Loans are loans made to graduate or professional students and parents of dependent undergraduate students to help pay for education expenses not covered by other financial aid. Eligibility is not based on financial need, but a credit check is required. Borrowers who have an adverse credit history must meet additional requirements to qualify.
- Direct Consolidation Loans allow you to combine all of your eligible federal student loans into a single loan with a single loan servicer.

How much money can I borrow in federal student loans?

It depends on whether you're an undergraduate student, a graduate or professional student, or a parent.

- If you are an undergraduate student, the maximum amount you can borrow each year in Direct Subsidized Loans and Direct Unsubsidized Loans ranges from $5,500

to $12,500 per year, depending on what year you are in school and your dependency status.
- If you are a graduate or professional student, you can borrow up to $20,500 each year in Direct Unsubsidized Loans. Direct PLUS Loans can also be used for the remainder of your college costs, as determined by your school, not covered by other financial aid.
- If you are a parent of a dependent undergraduate student, you can receive a Direct PLUS Loan for the remainder of your child's college costs, as determined by his or her school, not covered by other financial aid.

Why should I take out federal student loans?

Federal student loans are an investment in your future. You should not be afraid to take out federal student loans, but you should be smart about it.

Federal student loans offer many benefits compared to other options you may consider when paying for college:

- The interest rate on federal student loans is fixed and usually lower than that on private loans—and much lower than that on a credit card!
- You don't need a credit check or a cosigner to get most federal student loans.
- You don't have to begin repaying your federal student loans until after you leave college or drop below half-time.
- If you demonstrate financial need, the government pays the interest on some loan types while you are in school and during some periods after school.
- Federal student loans offer flexible repayment plans and options to postpone your loan payments if you're having trouble making payments.
- If you work in certain jobs, you may be eligible to have a portion of your federal student loans forgiven if you meet certain conditions.

What should I consider when taking out federal student loans?

Before you take out a loan, it's important to understand that a loan is a legal obligation that makes you responsible for repaying the amount you borrow with interest. Even though you don't have to begin repaying your federal student loans right away, you shouldn't wait to understand your responsibilities as a borrower. Get the scoop: Watch this video about responsible borrowing or browse the tips below it.

Be a responsible borrower.

- Keep track of how much you're borrowing. Think about how the amount of your loans will affect your future finances, and how much you can afford to repay. Your student loan payments should be only a small percentage of your salary after you graduate, so it's important not to borrow more than you need for your school-related expenses.

- Research starting salaries in your field. Ask your school for starting salaries of recent graduates in your field of study to get an idea of how much you are likely to earn after you graduate. You can also use the U.S. Department of Labor's *Occupational Outlook Handbook* or career search tool to research careers and salaries.
- Understand the terms of your loan and keep copies of your loan documents. When you sign your promissory note, you are agreeing to repay the loan according to the terms of the note even if you don't complete your education, can't get a job after you complete the program, or you didn't like the education you received.
- Make payments on time. You are required to make payments on time even if you don't receive a bill, repayment notice, or a reminder. You must pay the full amount required by your repayment plan, as partial payments do not fulfill your obligation to repay your student loan on time.
- Keep in touch with your loan servicer. Notify your loan servicer when you graduate; withdraw from school; drop below half-time status; transfer to another school; or change your name, address, or Social Security number. You also should contact your servicer if you're having trouble making your scheduled loan payments. Your servicer has several options available to help you keep your loan in good standing.

How do I get a federal student loan?

To apply for a federal student loan, you must first complete and submit a *Free Application for Federal Student Aid* (FAFSA®) form. Based on the results of your FAFSA form, your college or career school will send you a financial aid offer, which may include federal student loans. Your school will tell you how to accept all or a part of the loan.

Before you receive your loan funds, you will be required to

- complete entrance counseling, a tool to ensure you understand your obligation to repay the loan; and
- sign a *Master Promissory Note*, agreeing to the terms of the loan.

Contact the financial aid office at the school you are planning to attend for details regarding the process at your school.

Is the U.S. Department of Education responsible for Health Education Assistance Loan (HEAL) Program loans?

Yes. On July 1, 2014, the HEAL Program was transferred from the U.S. Department of Health and Human Services (HHS) to the U.S. Department of Education (ED). However, it is no longer possible to obtain a new HEAL Program loan. The making of new HEAL Program loans was discontinued on Sept. 30, 1998.

Borrowers who have HEAL Program loans and members of the community may obtain more information as outlined below.

- **If you have HEAL Program loans and are not in default on those loans,** contact your loan servicer for help with account-related questions. Use the contact information your loan servicer provided to you.
- **If you have HEAL Program loans and are in default on those loans,** contact the Debt Collection Center for help with account-related questions.

  For mail sent via U.S. Postal Service:
  HHS Program Support Center
  Accounting Services, Debt Collection Center
  Mailstop 10230B
  7700 Wisconsin Avenue, Suite 8-8110D
  Bethesda, MD 20857

  For mail sent via UPS or FedEx:
  HHS Program Support Center
  Accounting Services, Debt Collection Center
  Mailstop Seventh Floor
  7700 Wisconsin Avenue, Suite 8-8110D
  Bethesda, MD 20814
  Phone: 301-492-4664
- **If you have a general HEAL Program question (not a loan account question),** contact ED's HEAL Program Team at 1-844-509-8957 or HEAL@ed.gov.

What is the Federal Perkins Loan Program?

The Federal Perkins Loan Program provided money for college or career school for students with financial need. The authority for schools to make new Federal Perkins Loans ended on Sept. 30, 2017.

Direct Subsidized and Unsubsidized Loans

Students may be eligible to receive subsidized and unsubsidized loans based on their financial need.

Subsidized and unsubsidized loans are federal student loans for eligible students to help cover the cost of higher education at a four-year college or university, community college, or trade, career, or technical school. The U.S. Department of Education offers eligible students at participating schools Direct Subsidized Loans and Direct Unsubsidized Loans. (Some people refer to these loans as Stafford Loans or Direct Stafford Loans.)

What's the difference between Direct Subsidized Loans and Direct Unsubsidized Loans?

In short, Direct Subsidized Loans have slightly better terms to help out students with financial need.

Quick Overview of Direct Subsidized Loans

Who can get Direct Subsidized Loans?

Direct Subsidized Loans are available to undergraduate students with financial need.

How much can you borrow?

Your school determines the amount you can borrow, and the amount may not exceed your financial need.

Who will pay the interest?

The U.S. Department of Education pays the interest on a Direct Subsidized Loan

- while you're in school at least half-time,
- for the first six months after you leave school (referred to as a grace period*), and
- during a period of deferment (a postponement of loan payments).

Quick Overview of Direct Unsubsidized Loans

Who can get Direct Unsubsidized Loans?

Direct Unsubsidized Loans are available to undergraduate and graduate students; there is no requirement to demonstrate financial need.

How much can you borrow?

Your school determines the amount you can borrow based on your cost of attendance and other financial aid you receive.

Who will pay the interest?

You are responsible for paying the interest on a Direct Unsubsidized Loan during all periods.

Good to know

If you choose not to pay the interest while you are in school and during grace periods and deferment or forbearance periods, your interest will accrue (accumulate) and be capitalized (that is, your interest will be added to the principal amount of your loan).

How much can I borrow?

Your school determines the loan type(s), if any, and the actual loan amount you are eligible to receive each academic year. However, there are limits on the amount in subsidized and unsubsidized loans that you may be eligible to receive each academic year (annual loan limits) and the total amounts that you may borrow for undergraduate and graduate study (aggregate loan limits). The actual loan amount you are eligible to receive each academic year may be less than the annual loan limit. These limits vary depending on

- what year you are in school and
- whether you are a dependent or independent student.

If you are a dependent student whose parents are not eligible for a Direct PLUS Loan, you may be able to receive additional Direct Unsubsidized Loan funds.

The following chart shows the annual and aggregate limits for subsidized and unsubsidized loans.

Year	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)
First-Year Undergraduate Annual Loan Limit	$5,500-No more than $3,500 of this amount may be in subsidized loans.	$9,500-No more than $3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	$6,500-No more than $4,500 of this amount may be in subsidized loans.	$10,500-No more than $4,500 of this amount may be in subsidized loans.
Third Year and Beyond Undergraduate Annual Loan Limit	$7,500 per year-No more than $5,500 of this amount may be in subsidized loans.	$12,500-No more than $5,500 of this amount may be in subsidized loans.
Graduate or Professional Student Annual Loan Limit	Not Applicable (all graduate and professional degree students are considered independent).	$20,500 (unsubsidized only).
Subsidized and Unsubsidized Aggregate Loan Limit	$31,000-No more than $23,000 of this amount may be in subsidized loans.	$57,500 for undergraduates-No more than $23,000 of this amount may be in subsidized loans. $138,500 for graduate or professional students-No more than $65,500 of this amount may be in subsidized loans. The graduate aggregate limit includes all federal loans received for undergraduate study.

Notes:

- The graduate aggregate limit includes all federal loans received for undergraduate study.
- The aggregate loan limits include any Subsidized Federal Stafford Loans or Unsubsidized Federal Stafford Loans you may have previously received under the Federal Family Education Loan (FFEL) Program. As a result of legislation that took effect July 1, 2010, no further loans are being made under the FFEL Program.
- Effective for periods of enrollment beginning on or after July 1, 2012, graduate and professional students are no longer eligible to receive Direct Subsidized Loans. The $65,500 subsidized aggregate loan limit for graduate or professional students includes subsidized loans that a graduate or professional student may have received for periods of enrollment that began before July 1, 2012, or for prior undergraduate study.

If the total loan amount you receive over the course of your education reaches the aggregate loan limit, you are not eligible to receive additional loans. However, if you repay some of your loans to bring your outstanding loan debt below the aggregate loan limit, you could then borrow again, up to the amount of your remaining eligibility under the aggregate loan limit.

Graduate and professional students enrolled in certain health profession programs may receive additional Direct Unsubsidized Loan amounts each academic year beyond those shown above. For these students, there is also a higher aggregate limit on Direct Unsubsidized Loans. If you are enrolled in a health profession program, talk to the financial aid office at your school for information about annual and aggregate limits.

Am I eligible for a Direct Subsidized Loan or a Direct Unsubsidized Loan?

To receive either type of loan, you must be enrolled at least half-time at a school that participates in the Direct Loan Program. Generally, you must also be enrolled in a program that leads to a degree or certificate awarded by the school. Direct Subsidized Loans are available only to undergraduate students who have financial need. Direct Unsubsidized Loans are available to both undergraduates and graduate or professional degree students. You are not required to show financial need to receive a Direct Unsubsidized Loan.

How do I apply for a loan?

To apply for a Direct Loan, you must first complete and submit the *Free Application for Federal Student Aid* (FAFSA®) form. Your school will use the information from your FAFSA form to determine how much student aid you are eligible to receive. Direct Loans are generally included as part of your financial aid package.

Is there a time limit on how long I can receive Direct Subsidized Loans?

No, if the first disbursement of your Direct Subsidized loan is on or after July 1, 2021, there is no time limitation on how long you can receive a Direct Subsidized loan.

If you were a first-time borrower on or after July 1, 2013, and before July 1, 2021, there was a limit on the maximum period of time (measured in academic years) that you could receive Direct Subsidized Loans. If this limit applied to you, you could not receive Direct Subsidized Loans for more than 150 percent of the published length of the program you were enrolled in at the time. This was called your “maximum eligibility period.” Your maximum eligibility period was generally based on the published length of your program at that time. You can usually find the published length of any previous program of study by contacting your school.

For example, if you were enrolled in a four-year bachelor's degree program, the maximum period for which you could receive Direct Subsidized Loans was six years (150 percent of 4 years = 6 years). If you were enrolled in a two-year associate degree program, the maximum period for which you could receive Direct Subsidized Loans was three years (150 percent of 2 years = 3 years).

Can I lose eligibility for additional Direct Subsidized Loans?

No, as of July 1, 2021, you cannot lose Direct Subsidized Loan eligibility based on your continued enrollment in a program beyond the 150 percent published length of your program.

If you had lost your subsidized loan eligibility due to reaching the 150 percent time limit, your eligibility for new subsidized loans first disbursed on or after July 1, 2021 is restored.

If you were a new borrower on or after July 1, 2013 and before July 1, 2021 and received Direct Subsidized Loans for your maximum eligibility period, you were no longer eligible to receive additional Direct Subsidized Loans. However, you may have received Direct Unsubsidized Loans.

Could I ever become responsible for interest that accrues on a Direct Subsidized Loan before it enters repayment?

As of July 1, 2021, new Direct Subsidized Loans will not lose their subsidy benefits before entering repayment and during periods of deferment.

If you were a new borrower on or after July 1, 2013 and before July 1, 2021, certain types of enrollment may have caused you to become responsible for the interest that accrued on your Direct Subsidized Loans when the U.S. Department of Education usually would have paid it. This was called losing interest subsidy.

Your federal loan servicer would have notified you if you had become responsible for paying the interest on your Direct Subsidized Loans during that time period.

If your Direct Subsidized Loans had lost their subsidy benefits before July 1 ,2021 and you have a balance greater than zero on July 1, 2021, those loans will have their subsidy benefits retroactively reinstated.

Other than interest, is there a charge for this loan?

Yes, there is a loan fee on all Direct Subsidized Loans and Direct Unsubsidized Loans. The loan fee is a percentage of the loan amount and is proportionately deducted from each loan disbursement. The percentage varies depending on when the loan is first disbursed, as shown in the chart below.

Loan Fees for Direct Subsidized Loans and Direct Unsubsidized Loans

First Disbursement Date	Loan Fee
On or after Oct. 1, 2019, and before Oct. 1, 2020	1.059%
On or after Oct. 1, 2020, and before Oct. 1, 2022	1.057%

Loans first disbursed prior to Oct. 1, 2019, have different loan fees.

What additional steps must I take to receive my loan?

If your financial aid package includes federal student loans, your school will tell you how to accept the loan.

If it is your first time receiving a Direct Loan, you will be required to

- complete entrance counseling, a tool to ensure you understand your obligation to repay the loan; and
- sign a loan contract called a *Master Promissory Note*, agreeing to the terms of the loan.

Contact the financial aid office at the school you are planning to attend for details regarding the process for receiving a loan at your school.

How will I receive my loan?

The school will first apply your loan funds to your school account to pay for tuition, fees, room and board, and other school charges. If any additional loan funds remain, they will be returned to you. All loan funds must be used for your education expenses. Learn more about the process of receiving federal student aid.

Who will contact me after I receive my loan?

When you receive your Direct Loan, you will be contacted by your loan servicer (you repay your loan to the loan servicer). Your loan servicer will provide regular updates on the status of your Direct Loan, and any additional Direct Loans that you receive.

When do I have to pay back my loan?

After you graduate, leave school, or drop below half-time enrollment, you will have a six-month grace period before you are required to begin repayment. During this period, you'll receive repayment information from your loan servicer, and you'll be notified of your first payment due date. Payments are usually due monthly. Learn more about repaying your loan.

What types of loan repayment plans are available?

There are several repayment options available that are designed to meet the individual needs of borrowers. Your loan servicer can help you understand which repayment options are available to you. Generally, you'll have 10 to 25 years to repay your loan, depending on the repayment plan that you choose. Learn more about your repayment options.

What if I have trouble repaying my loan?

If you are unable to make your scheduled loan payments, contact your loan servicer immediately. Your loan servicer can help you understand your options for keeping your loan in good standing. For example, you may wish to change your repayment plan to lower your monthly payment or request a deferment or forbearance that allows you to temporarily stop or lower the payments on your loan. Learn more about deferment or forbearance options.

Can I cancel a loan if I decide that I don't need it or if I need less than the amount offered?

Yes. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying your school. After your loan is disbursed, you may cancel all or part of the loan within certain time frames. Your promissory note and additional information you receive from your school will explain the procedures and time frames for canceling your loan.

Can my loan ever be forgiven or discharged?

Under certain conditions, you may be eligible to have all or part of your loan discharged or forgiven (canceled). Find out about loan cancellation, discharge, or forgiveness.

Direct PLUS Loans are federal loans that graduate or professional students can use to help pay for college or career school

PLUS loans can help pay for education expenses not covered by other financial aid.

A Direct PLUS Loan is commonly referred to as a grad PLUS loan when made to a graduate or professional student.

Am I eligible for a grad PLUS loan?

To receive a grad PLUS loan, you must

- be a graduate or professional student enrolled at least half-time at an eligible school in a program leading to a graduate or professional degree or certificate;
- not have an adverse credit history (unless you meet certain additional eligibility requirements); and
- meet the general eligibility requirements for federal student aid.

What is the current interest rate?

For Direct PLUS Loans first disbursed on or after July 1, 2023, and before July 1, 2024, the interest rate is 8.05%. This is a fixed interest rate for the life of the loan.

How much can I borrow?

The maximum PLUS loan amount you can borrow is the cost of attendance (determined by the school) minus any other financial assistance you receive.

When do I begin repaying my loan?

You'll receive an automatic deferment while you're enrolled in school at least half time, and for an additional six months after you graduate, leave school, or drop below half-time enrollment. You don't have to start making payments until after this deferment period ends.

During periods of deferment, interest will accrue on your loan. You may choose to pay the accrued interest or allow the interest to be capitalized (added to your loan principal balance) when you have to start making payments. Your loan servicer will notify you when your first payment is due.

Can I still receive a grad PLUS loan if I have an adverse credit history?

A credit check will be performed during the application process. If you have an adverse credit history, you may still receive a grad PLUS loan through one of these two options:

1. Obtaining an endorser who does not have an adverse credit history. An endorser is someone who agrees to repay the grad PLUS loan if you do not repay it.
2. Documenting to the satisfaction of the U.S. Department of Education that there are extenuating circumstances relating to your adverse credit history.

With either option 1 or option 2, you also must complete credit counseling for PLUS loan borrowers. You may also wish to read this article to learn more about what to do if you are denied a PLUS loan based on an adverse credit history.

Try This Resource

Direct PLUS Loans and Adverse Credit—Answers common questions about how an adverse credit history affects Direct PLUS Loan eligibility.

How do I apply for a grad PLUS loan?

Go to the online *Direct PLUS Loan Application for Graduate/Professional Students*.

Important: Most schools require you to apply for a Direct PLUS Loan online, but some schools have different application processes. This site has a list of schools that participate in the Direct Loan Program. When you select your school from the list, the site will tell you if the school has a different application process. In that case, check with the school's financial aid office to find out how to request a grad PLUS loan.

Note: Before applying for a grad PLUS loan, you must complete the FAFSA form.

What additional steps must I take to receive my loan?

If you are eligible for a grad PLUS loan, you will be required to sign a Direct PLUS Loan Master Promissory Note (MPN), agreeing to the terms of the loan. If you haven't previously received a PLUS loan, you will also be required to complete entrance counseling. Contact the financial aid office at the school you are planning to attend for instructions on how to complete entrance counseling.

Other than interest, is there a charge for this loan?

Yes, there is a loan fee on all Direct PLUS Loans. The loan fee is a percentage of the loan amount and is proportionately deducted from each loan disbursement. The percentage for all Direct PLUS loans first disbursed on or after Oct. 1, 2020, is 4.228%. Loans first disbursed before that date had different loan fees.

How will I receive my loan?

The school will first apply grad PLUS loan funds to your school account to pay for tuition, fees, room and board, and other school charges. If any loan funds remain, your school will give them to you to help pay other education expenses. Get more information about receiving aid.

What happens after I receive my loan?

After you receive your grad PLUS loan, you will be contacted by your loan servicer (you will repay your loan to the loan servicer). Your loan servicer will provide regular updates on the status of your grad PLUS loan.

What types of loan repayment plans are available?

There are several repayment options available that are designed to meet the individual needs of borrowers, including income-driven repayment plans that determine your monthly payment amount based on your income and family size. Your loan servicer can help you understand which repayment options are available to you. Generally, you'll have 10 to 25 years to repay your loan, depending on the repayment plan that you choose. Learn about your repayment options.

What if I have trouble repaying my loan?

If you are unable to make your scheduled loan payments, contact your loan servicer immediately. Your servicer can help you understand your options for keeping your loan in good standing. For example, you may wish to change your repayment plan to lower your monthly payment or request a deferment or forbearance that allows you to temporarily stop or lower the payments on your loan. Learn more about deferment and forbearance options.

Can I cancel the loan if I decide that I don't need it or if I need less than the amount offered?

Yes. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying the school. After your loan is disbursed, you may cancel all or part of the loan within certain time frames. Your promissory note and additional information you'll receive from the school will explain the procedures and time frames for canceling your loan.

Can my loan ever be forgiven (canceled) or discharged?

Under certain conditions, you may be eligible to have all or part of your loan forgiven (canceled) or discharged. Find out about loan forgiveness, cancellation, and discharge.

Where can I find information about the grad PLUS loans I've received?

Visit "My Aid" to view information about all of the federal student loans and other financial aid you have received and to get contact information for your loan servicer.

Direct PLUS Loans are federal loans that parents of dependent undergraduate students can use to help pay for college or career school

The U.S. Department of Education makes Direct PLUS Loans to eligible parents through schools participating in the Direct Loan Program.

A Direct PLUS Loan is commonly referred to as a parent PLUS loan when made to a parent borrower.

Am I eligible for a parent PLUS loan?

To receive a parent PLUS loan, you must

- be the biological or adoptive parent (or in some cases, the stepparent) of a dependent undergraduate student enrolled at least half-time at an eligible school;
- not have an adverse credit history (unless you meet certain additional requirements); and
- meet the general eligibility requirements for federal student aid

Note: Grandparents (unless they have legally adopted the dependent student) and legal guardians are not eligible to receive parent PLUS loans, even if they have had primary responsibility for raising the student.

Try This Resource

Federal Student Loans: Direct PLUS Loan Basics for Parents—Provides parents with information on Direct PLUS Loans for parents. Includes an overview of eligibility, the application process, and repayment.

What is the current interest rate?

For Direct PLUS Loans first disbursed on or after July 1, 2023, and before July 1, 2024, the interest rate is 8.05%. This is a fixed interest rate for the life of the loan.

How much can I borrow?

The maximum PLUS loan amount you can borrow is the cost of attendance at the school your child will attend minus any other financial assistance your child receives. The cost of attendance is determined by the school.

Do I have to make payments on my loan while my child is still in school?

If you request a deferment, you will not need to make payments while your child is enrolled at least half-time and for an additional six months after your child graduates, leaves school, or drops below half-time enrollment. If the school your child is attending requires you to submit your request for a parent PLUS loan at StudentAid.gov, you'll have the option of requesting a deferment as part of the loan request process. You can also contact your loan servicer to request a deferment.

If you do not request a deferment, you will be expected to begin making payments after the loan is fully disbursed (paid out).

During periods of deferment, interest will accrue on your loan. You may choose to pay the accrued interest or allow the interest to be capitalized (added to your loan principal balance) when you have to start making payments. Your loan servicer will notify you when your first payment is due.

Can I still receive a parent PLUS loan if I have an adverse credit history?

A credit check will be performed during the application process. If you have an adverse credit history, you may still receive a parent PLUS loan through one of these two options:

1. Obtaining an endorser who does not have an adverse credit history. An endorser is someone who agrees to repay the parent PLUS loan if you do not repay it. The endorser cannot be the child on whose behalf you are borrowing.
2. Documenting to the satisfaction of the U.S. Department of Education that there are extenuating circumstances relating to your adverse credit history.

With either option 1 or option 2, you also must complete credit counseling for parent PLUS loan borrowers. You may also wish to read this article to learn more about what to do if you are denied a PLUS loan based on an adverse credit history.

Try This Resource

Direct PLUS Loans and Adverse Credit—: Answers common questions about how an adverse credit history affects Direct PLUS Loan eligibility.

If you are unable to obtain a parent PLUS loan, your child may be eligible for additional unsubsidized loans. Your child should contact the school's financial aid office for more information.

How do I apply for a parent PLUS loan?

Go to the online Direct PLUS Loan Application for Parents.

Important: Most schools require you to apply for a Direct PLUS Loan online, but some schools have different application processes. This site has a list of schools that participate in the Direct Loan Program. When you select your child's school from the list, the site will tell you if the school has a different application process. In that case, check with the school's financial aid office to find out how to request a parent PLUS loan.

Note: Before applying for a parent PLUS loan, make sure your child has filled out the FAFSA form.

What additional steps must I take to receive my loan?

If you are eligible for a parent PLUS loan, you will be required to sign a Direct PLUS Loan *Master Promissory Note* (MPN), agreeing to the terms of the loan. Contact the financial aid office at the school your child is planning to attend for details regarding the process at that school.

If you're taking out parent PLUS loans for more than one child, you'll need to sign separate Direct PLUS Loan MPNs for the loans you receive for each child.

Other than interest, is there a charge for this loan?

Yes, there is a loan fee on all Direct PLUS Loans. The loan fee is a percentage of the loan amount and is proportionately deducted from each loan disbursement. The percentage for all Direct PLUS loans first disbursed on or after Oct. 1, 2020, is 4.228%. Loans first disbursed before that date had different loan fees.

How will I receive my loan?

The school will first apply parent PLUS loan funds to the student's school account to pay for tuition, fees, room and board, and other school charges. If any loan funds remain, your child's school will give them to you to help pay other education expenses for the student. With your authorization, the school can pay the remaining loan funds directly to the student. Get more information about receiving aid.

What happens after I receive my loan?

After you receive your parent PLUS loan, you will be contacted by your loan servicer (you will repay your loan to the loan servicer). Your loan servicer will provide regular updates on the status of your parent PLUS loan.

What types of loan repayment plans are available?

Parent PLUS borrowers are eligible for the following repayment plans:

- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan

Note: Parent borrowers can become eligible for an additional repayment plan—the Income-Contingent Repayment Plan—by consolidating their parent PLUS loans into a Direct Consolidation Loan.

What if I have trouble repaying my loan?

If you are unable to make your scheduled loan payments, contact your loan servicer immediately. Your servicer can help you understand your options for keeping your loan in good standing. For example, you may wish to change your repayment plan to lower your monthly payment or request a deferment or forbearance that allows you to temporarily stop or lower the payments on your loan.Learn more about deferment and forbearance options.

As a parent PLUS loan borrower, can I transfer responsibility for repaying the loan to my child?

No, a Direct PLUS Loan made to a parent cannot be transferred to the child. You, the parent borrower, are legally responsible for repaying the loan.

Can I cancel the loan if I decide that I don't need it or if I need less than the amount offered?

Yes. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying your child's school. After your loan is disbursed, you may cancel all or part of the loan within certain time frames. Your promissory note and additional information you'll receive from the school will explain the procedures and time frames for canceling your loan.

Can my loan ever be forgiven (canceled) or discharged?

Under certain conditions, you may be eligible to have all or part of your loan forgiven (canceled) or discharged.

If you are seeking Public Service Loan Forgiveness, you will need to repay your loans under an income-driven repayment plan. The Income-Contingent Repayment Plan is the only income-driven repayment plan available to parent PLUS borrowers, and to repay your parent PLUS loans under the Income-Contingent Repayment Plan, you must first consolidate the loans into a Direct Consolidation Loan.

Where can I find information about the parent PLUS loans I've received?

Visit "My Aid" to view information about all of the federal student loans and other financial aid you have received and to get contact information for your loan servicer.

Federal Family Education Loan Program (FFELP)

Under the Federal Family Education Loan (FFEL) Program, private lenders made federal student loans to students, and guaranty agencies insured these funds, which were, in turn, reinsured by the federal government. As a result of the Health Care and Education Reconciliation Act of 2010, no new FFEL Program loans will be made, beginning July 1, 2010.

Federal Perkins Loan Program

The Federal Perkins Loan Program provided money for college or career school for students with financial need. The authority for schools to make new Federal Perkins Loans ended on Sept. 30, 2017.

Loans made through the Federal Perkins Loan Program, often called Perkins Loans, are low-interest federal student loans for undergraduate and graduate students with exceptional financial need.

Important: Under federal law, the authority for schools to make new Perkins Loans ended on Sept. 30, 2017, and final disbursements were permitted through June 30, 2018. As a result, students can no longer receive Perkins Loans. A borrower who received a Perkins Loan can learn more about managing the repayment of the loan by contacting either the school that made the loan or the school's loan servicer.

Paying back your Perkins Loan: If you are attending school at least half-time, you have nine months after you graduate, leave school, or drop below half-time status before you must begin repayment. If you are attending less than half-time, check with your college or career school to find out how long your grace period will be.

Consolidating Student Loans

A Direct Consolidation Loan allows you to consolidate (combine) one or more federal education loans into a new Direct Consolidation Loan for the purpose of lowering your monthly payment amount or gaining access to federal forgiveness programs.

There is **no application fee** to consolidate your federal education loans into a Direct Consolidation Loan.

Apply to Consolidate

Benefits of Consolidating

Single Loan With One Monthly Bill
If you currently have federal student loans that are with different loan servicers, consolidation can greatly simplify loan repayment by giving you a single loan with just one monthly bill.

Lower Monthly Payment
Consolidation can lower your monthly payment by providing access to additional income-driven repayment plans or by giving you more time to repay your loan (up to 30 years) if you choose the Standard or Graduated repayment plan.

Access to Income-Driven Repayment Plans
If you consolidate loans other than Direct Loans—such as FFEL Program loans or Federal Perkins loans—consolidation may give you access to additional income-driven repayment plan options, which can lower your monthly payment amount. (Direct Loans are from the William D. Ford Federal Direct Loan Program.)

Access to Forgiveness Options
If you consolidate loans other than Direct Loans, consolidation may give you access to forgiveness options, such as income-driven repayment or Public Service Loan Forgiveness (PSLF).

Fixed Interest Rate
If you consolidate, you'll be able to switch any variable-rate loans you have to a fixed interest rate.

A Direct Consolidation Loan has a fixed interest rate for the life of the loan. The fixed rate is the weighted average of the interest rates on the loans being consolidated, rounded up to the nearest one-eighth of one percent.

Disadvantages of Consolidating

Longer Repayment Period

If you choose to repay your new consolidation loan on the Standard or Graduated plan, consolidation can increase the period of time you have to repay your loan, resulting in more payments and more interest overall than you would have if you didn’t consolidate.

For some Direct Consolidation Loan repayment plans, the total amount of your education loan debt—including any private education loans you have—determines how long you have to repay your Direct Consolidation Loan.

More Interest

When you consolidate your loans, any outstanding interest on the loans you consolidate becomes part of the original principal balance on your consolidation loan, which means that interest may accrue on a higher principal balance than if you had not consolidated.

Loss of Certain Borrower Benefits

If you consolidate loans other than Direct Loans, you may lose certain borrower benefits—such as interest rate discounts, principal rebates, or some loan cancellation benefits—associated with your current loans.

If consolidation would cause you to lose the benefits associated with some of your current loans and you are working toward earning those benefits, you should not include those loans in your new Direct Consolidation Loan. When you apply for a Direct Consolidation Loan, you don’t have to consolidate all of your eligible loans.

If you have both Direct PLUS loans for parents for a dependent's education and other eligible loans for your own education, consolidating them together could result in losing access to certain repayment plans for loans for your own education. You can also use Loan Simulator to model your repayment options if you consolidate these loans together.

To maximize your repayment plan options, you should not include both parent PLUS loans and loans for a dependent’s education in the same Direct

Consolidation Loan. You can consolidate both types of loans separately to avoid this risk.

For example, if you have Federal Perkins Loans and you are employed in an occupation that would qualify you for Perkins Loan cancellation benefits, you may not want to include your Perkins Loans when you consolidate. Leaving out your Perkins Loans will preserve the benefits on those loans.

Some past periods of repayment, deferment, and forbearance might now count toward your IDR forgiveness even after consolidation, as long as you consolidate before the one-time IDR account adjustment is implemented. Learn about the one-time IDR account adjustment.

Lowering Your Payments Without Consolidating

If you want to lower your monthly payment amount but are concerned about the impact of loan consolidation, you still have access to more limited income-driven repayment options. We strongly suggest switching to an income-driven repayment plan for longer-term payment relief. We also offer deferment or forbearance as options for short-term payment relief.

Once your loans are combined into a Direct Consolidation Loan, the consolidation can't be reversed. The loans that were consolidated are considered paid off and no longer exist.

Eligibility

Most federal student loans—including Direct Loans and FFEL Program Loans—are eligible for consolidation. See the full list of loan types by selecting the arrow below.

What types of loans can I consolidate?

- Subsidized Federal Stafford Loans from the Federal Family Education Loan (FFEL) Program
- Unsubsidized and Nonsubsidized Federal Stafford (FFEL) Loans
- FFEL PLUS loans
- Supplemental Loans for Students
- Federal Perkins Loans
- Nursing Student Loans
- Nurse Faculty Loans
- Health Education Assistance Loans

- Health Professions Student Loans
- Loans for Disadvantaged Students
- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans
- FFEL Consolidation Loans and Direct Consolidation Loans (only under certain conditions)
- Federal Insured Student Loans
- Guaranteed Student Loans
- National Direct Student Loans
- National Defense Student Loans
- Parent Loans for Undergraduate Students
- Auxiliary Loans to Assist Students

Private education loans are not eligible for consolidation.

Direct PLUS Loans received by parents to help pay for a dependent student's education cannot be consolidated together with federal student loans that the student received.

Learn what to do if you're not sure what kind of loan(s) you have.

Am I eligible for loan consolidation while I am confined in an adult correctional facility or a juvenile justice facility?

No. You may not consolidate your federal student loans into a new federal consolidation loan until after you're released.

When can I consolidate my loans?

Generally, you're eligible to consolidate after you graduate, leave school, or drop below half-time enrollment.

The loans you consolidate must be in repayment or in a grace period.

Can I consolidate an existing consolidation loan?

Generally, you can't consolidate an existing consolidation loan unless you include an additional eligible loan in the consolidation.

Exceptions for single FFEL Consolidation Loans

Under certain circumstances, you may reconsolidate a single existing FFEL Consolidation Loan without including any additional loans.

You may reconsolidate a single existing FFEL Consolidation Loan under any of the following circumstances:

- If you're in default or your loan is delinquent and has been referred for default aversion and you agree to repay your new Direct Consolidation Loan under an income-driven repayment plan
- In order to qualify for the PSLF Program
- To use the "no accrual of interest benefit" for active duty service members, which states that you're not required to pay the interest that accrues during periods of qualifying active duty military service (for up to 60 months) on the portion of a Direct Consolidation Loan that repaid a Direct Loan Program or FFEL Program loan first disbursed on or after Oct. 1, 2008

What if I want to consolidate defaulted loans?

If you want to consolidate a defaulted loan, you must either

- make satisfactory repayment arrangements (defined as three consecutive monthly payments) on the loan before you consolidate; or
- agree to repay your new Direct Consolidation Loan under an income-driven repayment plan.

Keep in mind that eligible borrowers will be able to use the Fresh Start program to get out of default without having to consolidate. This program is temporary, and borrowers will have to act before one year after the student loan payment pause ends to take advantage of Fresh Start. Learn more about the Fresh Start for loans in default.

If you want to consolidate a defaulted loan that is being collected through garnishment of your wages or that is being collected in accordance with a court order after a judgment was obtained against you, you can't consolidate the loan unless the wage garnishment order has been lifted or the judgment has been vacated.

No. You may not consolidate your federal student loans into a new federal consolidation loan until after you're released.

After You Consolidate

When do I start repaying my new consolidation loan?

Repayment of a Direct Consolidation Loan will begin within 60 days after the loan is disbursed (paid out). Your loan servicer will let you know when the first payment is due.

If any of the loans you want to consolidate are still in the grace period, you have the option of indicating on your Direct Consolidation Loan application that you want the servicer processing your application to delay consolidating your loans until closer to the grace period end date. If you select this option, you won't have to begin making payments on your new Direct Consolidation Loan until closer to the end of the grace period on your current loans.

Are there different repayment plans?

Borrowers have different needs, so there are several repayment plans—including income-driven repayment plans, which base your monthly payment amount on your income and family size. If you're consolidating a defaulted loan, you must select an income-driven repayment plan. You'll select a repayment plan when you apply for a Direct Consolidation Loan. Learn about repayment plans.

On Oct. 11, 2022, the *Joint Consolidation Loan Separation Act* was signed into law to allow joint consolidation loan borrowers to separate their joint loan obligations into new individual Direct Consolidation Loans. Learn how to separate a joint consolidation loan.

How to Apply

Apply for a Direct Consolidation Loan. You can complete and submit the application online or by U.S. mail. Most people complete the online application in less than 30 minutes. For submissions by mail, visit the link above and look for "Don't want to use the electronic application?"

After you submit your application, a loan servicer will manage the consolidation process. At this point in the process, this servicer will be your point of contact for any questions you may have about your consolidation application.

This servicer may be different from the one you selected on your consolidation application. If so, don't worry—you'll ultimately be working with the servicer you selected once the consolidation is complete.

Unless the loans you want to consolidate are in a deferment, forbearance, or grace period, it's important for you to continue making payments on those loans until your consolidation servicer tells you that they have been paid off by your new Direct Consolidation Loan.

Who to Contact with Questions

This depends on where you are in the consolidation process.

Before Applying

To ask questions about consolidating your loans before you apply for a Direct Consolidation Loan, contact the Federal Student Aid Information Center (FSAIC) at 1-800-433-3243.

While Applying

To request technical assistance while you're logged in and completing the Direct Consolidation Loan Application and Promissory Note online, either contact us online or call FSAIC at 1-800-433-3243.

After Applying

To ask questions after you've submitted your *Direct Consolidation Loan Application and Promissory Note*, contact the servicer for your new Direct Consolidation Loan.

If you submitted your application online, your consolidation servicer's contact information was provided at the end of the online process. If you submitted a paper application by U.S. mail, your consolidation servicer's contact information was available when you downloaded or printed the paper application.

FAFSA®

FREE APPLICATION *for* FEDERAL STUDENT AID

July 1, 2023 – June 30, 2024

Federal **Student Aid**
An OFFICE *of the* U.S. DEPARTMENT *of* EDUCATION

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Use this form to apply free for federal and state student grants, work-study, and loans.

Or apply free online at **fafsa.gov**.

Apply by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than October 1, 2022. We must receive your application no later than June 30, 2024. Your college must have your correct, complete information by your last day of enrollment in the 2023-2024 school year.

For state or college aid, the deadline may be as early as October 2022. See the table to the right for state deadlines. You may also need to complete additional forms.

Check with your high school counselor or a financial aid administrator at your college about state and college sources of student aid and deadlines.

If you are filing close to one of these deadlines, we recommend you file online at **fafsa.gov**. It is the fastest and easiest way to apply for aid.

Use Your Tax Return

We recommend that you complete and submit your FAFSA form as soon as possible on or after October 1, 2022. The easiest way to complete or correct your FAFSA form with accurate tax information is by using the IRS Data Retrieval Tool through **fafsa.gov**. In a few simple steps, most students and parents who filed a 2021 tax return can transfer their tax return information directly into their FAFSA form.

If you (or your parents) have missed the 2021 tax filing deadline and still need to file a 2021 income tax return with the Internal Revenue Service (IRS), you should submit your FAFSA form now using estimated tax information, and then you ***must correct*** that information ***after you file*** your return.

Note: Both parents or both the student and spouse may need to report income information on the FAFSA form if they did not file a joint tax return for 2021. For assistance with answering the income information questions in this situation, call 1-800-4-FED-AID (1-800-433-3243).

Fill Out the FAFSA® Form

If you or your family experienced significant changes to your financial situation (such as loss of employment or pay cuts), or other unusual circumstances (such as tuition expenses at an elementary or secondary school or high unreimbursed medical or dental expenses), complete this form to the extent you can and submit it as instructed. Consult with the financial aid office at the college(s) you applied to or plan to attend.

For help in filling out the FAFSA form go to **StudentAid.gov/apply-for-aid/fafsa/filling-out** or call 1-800-433-3243.

Fill the answer fields directly on your screen or print the form and complete it by hand. Your answers will be read electronically; therefore, if you complete the form by hand:

- **use black ink and fill in circles completely:** Correct ● Incorrect ⊗ ✓
- **print clearly in CAPITAL letters and skip a box between words:** 1 5 E L M S T
- **report dollar amounts (such as $12,356.41) like this:** $ 1 2 3 5 6 no cents

Yellow is for student information and purple is for parent information.

Mail Your FAFSA® Form

After you complete this application, make a copy of pages 3 through 8 for your records. Then mail the original of pages 3 through 8 to:

Federal Student Aid Programs, P.O. Box 7654, London, KY 40742-7654.

After your application is processed, you will receive a summary of your information in your *Student Aid Report* (SAR). If you provide an e-mail address, your SAR will be sent by e-mail within three to five days. If you do not provide an e-mail address, your SAR will be mailed to you within three weeks. If you would like to check the status of your application, go to **fafsa.gov** or call 1-800-433-3243.

Let's Get Started!

Now go to page 3 of the FAFSA form and begin filling it out. Refer to the notes on pages 9 and 10 as instructed.

STATE AID DEADLINES

Pay attention to any symbols listed after your state deadline.

States and territories not included in the main listing below: AL♦, AS♦*, AZ♦, CO♦, FM♦*, GU♦*, HI♦*, KY^$, MH♦*, NC^$, ND^$, NE♦, NH♦*, NM♦, OK♦, PR♦, PW♦*, RI♦*, SD♦*, UT♦$*, VA♦*, VI♦*, VT^$*, WA^♦, WI♦ and WY♦*.

State	Deadline
AK	Alaska Education Grant ^ $ Alaska Performance Scholarship: June 30, 2023 # $
AR	Academic Challenge: July 1, 2023 *(date received)* ArFuture Grant: fall term, July 1, 2023 *(date received)*; spring term, Jan. 10, 2024 *(date received)*
CA	For many state financial aid programs: March 2, 2023 *(date postmarked)*. Cal Grant also requires submission of a school-certified GPA by March 2, 2023. For additional community college Cal Grants: Sept. 2, 2023 *(date postmarked)*. For noncitizens without a Social Security card or with one issued through the federal Deferred Action for Childhood Arrivals (DACA) program, fill out the *California Dream Act Application*. Contact the California Student Aid Commission or your financial aid administrator for more information.
CT	Feb. 15, 2023 *(date received)* # ♦ *
DC	FAFSA form completed by July 1, 2023 # For DC Tuition Assistance Grant, complete the DC OneApp and submit supporting documents by Aug. 1, 2023. #
DE	May 15, 2023 *(date received)*
FL	May 15, 2023 *(date processed)*
GA	Refer to Georgia Student Finance Commission's web site for additional information. ^♦ *
IA	July 1, 2023 *(date received)*; earlier priority deadlines may exist for certain programs. *
ID	Opportunity Scholarship: March 1, 2023 *(date received)* # ♦ *
IL	Refer to the Illinois Student Assistance Commission's web site for the current Monetary Award Program (MAP) deadline dates. ^ $
IN	Adult Student Grant ^ $: New applicants must submit additional form. Workforce Ready Grant ^ Frank O'Bannon Grant: April 15, 2023 *(date received)* 21st Century Scholarship: April 15, 2023 *(date received)*
KS	April 1, 2023 *(date received)* # ♦ *
LA	July 1, 2024 (Feb. 1, 2023, recommended)
MA	May 1, 2023 *(date received)* #
MD	March 1, 2023 *(date received)*
ME	May 1, 2023 *(date received)*
MI	March 1, 2023 *(date received)*
MN	30 days after term starts *(date received)*
MO	Feb. 1, 2023 # Applications accepted through April 1, 2023 *(date received)*
MP	April 30, 2023 *(date received)* # *
MS	MTAG and MESG Grants: Oct. 15, 2023 *(date received)* HELP Grant: April 30, 2023 *(date received)*
MT	Dec. 1, 2022 # ♦ *
NJ	Renewal applicants (2022–2023 Tuition Aid Grant recipients): April 15, 2023 *(date received)* All other applicants: fall and spring terms, Sept. 15, 2023 *(date received)*; spring term only, Feb. 15, 2024 *(date received)*
NV	Silver State Opportunity Grant ^ $ Nevada Promise Scholarship: March 1, 2023 * $ All other aid ♦ *
NY	June 30, 2024 *(date received)* *
OH	Oct. 1, 2023 *(date received)*
OR	Oregon Opportunity Grant ^ $ OSAC Private Scholarships: March 1, 2023 * Oregon Promise Grant: Contact state agency. *
PA	All first-time applicants enrolled in a community college; business/trade/technical school; hospital school of nursing; designated Pennsylvania open-admission institution; or nontransferable two-year program: Aug. 1, 2023 *(date received)* All other applicants: May 1, 2023 *(date received)* *
SC	SC Commission on Higher Education Need-based Grants ^ $ Tuition Grants: June 30, 2023 *(date received)*
TN	State Grant: Prior-year recipients receive award if eligible and apply by March 1, 2023; all other awards made to neediest applicants. $ Tennessee Promise: March 1, 2023 *(date received)* State Lottery: fall term, Sept. 1, 2023 *(date received)*; spring and summer terms, Feb. 1, 2024 *(date received)*
TX	Jan. 15, 2023 # * Private and two-year institutions may have different deadlines. ♦
WV	PROMISE Scholarship: March 1, 2023. New applicants must submit additional form. Contact your financial aid administrator or state agency. WV Higher Education Grant: April 15, 2023 WV Invests Grant: April 15, 2023 #

* Additional forms may be required.
♦ Check with your financial aid administrator.
$ Awards made until funds are depleted.
^ As soon as possible on or after Oct. 1, 2022.
# For priority consideration, submit by date specified.

What is the FAFSA® form?

Why fill out a FAFSA form?

The ***Free Application for Federal Student Aid*** (FAFSA) is the first step in the financial aid process. You use the FAFSA form to apply for federal student aid, such as grants, work-study, and loans. In addition, most states and colleges use information from the FAFSA form to award nonfederal aid.

Why all the questions?

Most of the questions on the FAFSA form are required to calculate your Expected Family Contribution (EFC). The EFC measures your family's financial strength and is used to determine your eligibility for federal student aid. Your state and the colleges you list may also use some of your responses. They will determine if you may be eligible for school or state aid, in addition to federal aid.

How do I find out what my Expected Family Contribution (EFC) is?

Your EFC will be listed on your *Student Aid Report* (SAR). Your SAR summarizes the information you submitted on your FAFSA form. It is important to review your SAR to make sure all of your information is correct and complete. Make corrections or provide additional information, as necessary.

How much student financial aid will I receive?

Using the information on your FAFSA form and your EFC, the financial aid office at your college will determine the amount of aid you will receive. The college will use your EFC to prepare a financial aid package to help you meet your financial need. Financial need is the difference between the cost of attendance (which can include living expenses), as determined by your college, and your EFC. If you are eligible for a Federal Pell Grant, you may receive it from only one college for the same period of enrollment. If you or your family have unusual circumstances that should be taken into account, contact your college's financial aid office. Some examples of unusual circumstances are: unusual medical or dental expenses or a large change in income from 2021 to this year.

When will I receive the student financial aid?

Any financial aid you are eligible to receive will be paid to you through your college. Typically, your college will first use the aid to pay tuition, fees and room and board (if provided by the college). Any remaining aid is paid to you for your other educational expenses.

How can I have more colleges receive my FAFSA form information?

If you are completing a paper FAFSA form, you can only list four colleges in the school code step. You may add more colleges by doing one of the following:

- After your FAFSA form has been processed, go to **fafsa.gov**, log in to the site, and follow the instructions for correcting your FAFSA form.
- Use the SAR which you will receive after your FAFSA form is processed. Your Data Release Number (DRN) verifies your identity and will be listed on the first page of your SAR. You can call 1-800-433-3243 and provide your DRN to a customer service representative, who will add more school codes for you.
- Provide your DRN to the financial aid administrator at the college you want added, and he or she can add their school code to your FAFSA form.

Note: Your FAFSA record can only list up to ten school codes. If there are ten school codes on your record, each new code will need to replace one of the school codes listed.

Where can I receive more information on student financial aid?

The best place for information about student financial aid is the financial aid office at the college you plan to attend. The financial aid administrator can tell you about student aid available from your state, the college itself and other sources.

- You can also visit our web site **StudentAid.gov**.
- For information by phone you can call our Federal Student Aid Information Center at 1-800-433-3243.
- You can also check with your high school counselor, your state aid agency or your local library's reference section.

Information about other nonfederal assistance may be available from foundations, faith-based organizations, community organizations and civic groups, as well as organizations related to your field of interest, such as the American Medical Association or American Bar Association. Check with your parents' employers or unions to see if they award scholarships or have tuition assistance plans.

FAFSA® Privacy Act Statement

Authority: Sections 483 and 484 of the Higher Education Act of 1965, as amended, give us the authority to ask these questions, and to collect Social Security numbers (SSN), from both you and your parents.

Purpose: We use the information provided on your *Free Application for Federal Student Aid* (FAFSA®) form to determine if you are eligible to receive federal student aid and the amount that you are eligible to receive. Your SSN is used to verify your identity and retrieve your records. We may request your SSN again for these purposes. State and institutional student financial aid programs also may use the information provided on your FAFSA form to determine if you are eligible to receive state and institutional aid and the financial need that you have for such aid.

Routine Uses: The information you provide will not be disclosed outside of the U.S. Department of Education (Department), except with your consent, and as otherwise allowed by the Privacy Act of 1974, 5 U.S.C. 552a, as amended, pursuant to the routine uses identified in the Federal Student Aid Application File System of Records Notice **federalregister.gov/documents/2019/10/29/2019-23581/privacy-act-of-1974-system-of-records**. A routine use is a disclosure to a third party without your consent. The Department may disclose your information to third parties under a routine use published in the Notice linked to above. Significant routine use disclosures are as follows:

- Under the published routine uses, we may disclose information to third parties that we have authorized to assist the Department in administering the federal student financial aid programs.
- The Department also may send your information to other federal agencies through computer matching programs to verify your eligibility for federal student financial aid, to perform debt collection under the federal loan programs, and to minimize and prevent waste, fraud, and abuse in the federal student aid programs. Such computer matching programs include matching programs with the Social Security Administration, Department of Veterans Affairs, Department of Homeland Security, Department of Justice, the Department of Defense, and the Department of Housing and Urban Development. More information on sharing with other federal agencies pursuant to a computer matching agreement can be found on the Department of Education's Computer Matching Agreements page **www2.ed.gov/about/offices/list/om/pirms/cma.html**.
- The Department will send your information to the state higher education agency in your state of legal residence. This disclosure will allow you to apply for state student financial aid without necessarily having to submit an additional application form. Your application information also will be sent to the college(s) listed on your FAFSA form, or its representative, and to the state higher education agencies in the states of the colleges listed. Additional information on state higher education agencies can be found at **www2.ed.gov/about/contacts/state/index.html**
- The Department may also disclose information to your parents or spouse and to members of Congress if you ask them to help you with student aid questions. If the federal government, the U.S. Department of Education, or an employee of the U.S. Department of Education is involved in litigation, we may send information to the Department of Justice, or a court or adjudicative body, if the disclosure is related to financial aid and certain conditions are met. In addition, we may send your information to a foreign, federal, state, or local enforcement agency if the information that you submitted indicates a violation or potential violation of law, for which that agency has jurisdiction for investigation or prosecution. We may send information to the Office of Management and Budget or the Congressional Budget Service to fulfill Fair Credit Reporting Act requirements. Finally, we may disclose records in the course of responding to a breach of data to appropriate agencies, entities, and persons.
- The Department may disclose information to a federal or state agency or a fiscal or financial agency designated by the U.S. Department of the Treasury for the purposes of identifying, preventing, or recouping an improper payment.
- We may send information regarding a claim that is determined to be valid and overdue to a consumer reporting agency. This information includes identifiers from the record; the amount, status and history of the claim; and the program under which the claim arose.

Effects of Not Providing Information: Providing information, including your SSN, is voluntary; however, if you do not give us all the information we need to process your FAFSA form, your aid may be delayed or denied. If you are applying solely for federal aid, you must answer all of the following questions that apply to you and are requested: 1–9, 14–16, 18, 23, 25, 26, 29–55, 57–64, 69–97, 99, and 100. If you want to apply for state financial aid, you must answer all the relevant questions.

State Certification: By submitting this application, you are giving your state financial aid agency permission to verify any statement on this form and to obtain income tax information for all persons required to report income on this form.

The Paperwork Reduction Act of 1995: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0001. Public reporting burden for this collection of information is estimated to average one and a half hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is voluntary. If you have comments or concerns regarding the status of your individual submission of this form, please contact the Federal Student Aid Information Center, P.O. Box 84, Washington, D.C. 20044 directly. (Note: Please do not return the completed form to this address.)

We may request additional information from you to process your application more efficiently. We will collect this additional information only as needed and on a voluntary basis.

July 1, 2023 – June 30, 2024

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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FAFSA®

FREE APPLICATION for FEDERAL STUDENT AID

Step One (Student): For questions 1-28, leave any questions that do not apply to you (the student) blank.

OMB # 1845-0001

Your full name (**exactly as it appears on your Social Security card**) If your name has a suffix, such as Jr. or III, include a space between your last name and suffix.

1. Last name
2. First name
3. Middle initial

Your permanent mailing address

4. Number and street (include apt. number)
5. City (and country if not U.S.)
6. State
7. ZIP code

8. Your Social Security Number **See Notes page 9**.

9. Your date of birth — MONTH DAY YEAR

10. Your telephone number ( ) –

Your driver's license number and driver's license state (if you have one)

11. Driver's license number
12. Driver's license state

13. Your e-mail address. If you provide your e-mail address, we will communicate with you electronically. For example, when your FAFSA form has been processed, you will be notified by e-mail. Your e-mail address will also be shared with your state and the colleges listed on your FAFSA form to allow them to communicate with you. If you do not have an e-mail address, leave this field blank.

14. Are you a U.S. citizen? Mark only one. **See Notes page 9**.
- Yes, I am a U.S. citizen (U.S. national). **Skip to question 16.** ○ 1
- No, but I am an eligible noncitizen. **Fill in question 15.** ○ 2
- No, I am not a citizen or eligible noncitizen. **Skip to question 16.** ○ 3

15. Alien Registration Number A

16. What is your marital status as of today? **See Notes page 9**.
- I am single ○ 1
- I am married/remarried ○ 2
- I am separated ○ 3
- I am divorced or widowed ○ 4

17. Month and year you were married, remarried, separated, divorced or widowed. **See Notes page 9**. MONTH YEAR

18. What is your state of legal residence? STATE

19. Did you become a legal resident of this state before January 1, 2018? Yes ○ 1 No ○ 2

20. If the answer to question 19 is "No," give month and year you became a legal resident of that state. MONTH YEAR

Some states and colleges offer aid based on the level of schooling your parents completed.

21. Highest school completed by Parent 1 — Middle school/Jr. high ○ 1 High school ○ 2 College or beyond ○ 3 Other/unknown ○ 4

22. Highest school completed by Parent 2 — Middle school/Jr. high ○ 1 High school ○ 2 College or beyond ○ 3 Other/unknown ○ 4

23. What will your high school completion status be when you begin college in the 2023-2024 school year?
- High school diploma. **Answer question 24.** ○ 1
- General Educational Development (GED) certificate or state certificate. **Skip to question 25.** ○ 2
- Homeschooled. **Skip to question 25.** ○ 3
- None of the above. **Skip to question 25.** ○ 4

24. What is the name of the high school where you received or will receive your high school diploma? Enter the complete high school name, and the city and state where the high school is located.

High School Name

High School City

STATE

25. Will you have your first bachelor's degree before you begin the 2023-2024 school year? Yes ○ 1 No ○ 2

32

Step One CONTINUES on Page 4

26. What will your college grade level be when you begin the 2023-2024 school year?

- Never attended college and 1st year undergraduate ○ 0
- Attended college before and 1st year undergraduate ○ 1
- 2nd year undergraduate/sophomore ○ 2
- 3rd year undergraduate/junior ○ 3
- 4th year undergraduate/senior ○ 4
- 5th year/other undergraduate ○ 5
- 1st year college graduate/professional (MBA, MD, PhD, etc.) ○ 6
- Continuing graduate/professional or beyond (MBA, MD, PhD, etc.) ○ 7

27. What college degree or certificate will you be working on when you begin the 2023-2024 school year?

- 1st bachelor's degree ○ 1
- 2nd bachelor's degree ○ 2
- Associate degree (occupational or technical program) ○ 3
- Associate degree (general education or transfer program) ○ 4
- Certificate or diploma (occupational, technical or education program of less than two years) ○ 5
- Certificate or diploma (occupational, technical or education program of two or more years) ○ 6
- Teaching credential (nondegree program) ○ 7
- College graduate or professional degree (MBA, MD, PhD, etc.) ○ 8
- Other/undecided ○ 9

28. Are you interested in being considered for work-study? Yes ○ 1 No ○ 2 Don't know ○ 3

Step Two (Student):

Answer questions 29–54 about yourself (the student). If you were never married, or are separated, divorced or widowed and are not remarried, answer only about yourself. If you are married or remarried as of today, include information about your spouse.

29. For 2021, have you (the student) completed your IRS income tax return or another tax return listed in question 30?

- I have already completed my return ○ 1
- I will file but have not yet completed my return ○ 2
- I'm not going to file. **Skip to question 35**. ○ 3

30. What income tax return did you file or will you file for 2021?

- IRS Form 1040 ○ 1
- A foreign tax return or IRS Form 1040-NR. **See Notes page 9**. ○ 3
- A tax return with Puerto Rico, another U.S. territory, or Freely Associated State. **See Notes page 9**. ○ 4

31. For 2021, what is or will be your tax filing status according to your tax return?

- Single ○ 1
- Head of household ○ 4
- Married—filed joint return ○ 2
- Married—filed separate return ○ 3
- Qualifying widow(er) ○ 5
- Don't know ○ 6

32. Did (or will) you file a Schedule 1 with your 2021 tax return? Answer "**No**" if you did not file a Schedule 1 or **only filed** a Schedule 1 to report: unemployment compensation, educator expenses, IRA deduction, student loan interest deduction, or Alaska Permanent Fund dividend. **See Notes page 9**. Yes ○ 2 No ○ 1 Don't know ○ 3

For questions 33–41, if the answer is zero or the question does not apply to you, enter 0. Report whole dollar amounts with no cents.

33. What was your (and spouse's) adjusted gross income for 2021? Adjusted gross income is on IRS Form 1040—line 11. $

34. Enter your (and spouse's) income tax for 2021. Income tax amount is the total of IRS Form 1040—line 22 minus Schedule 2—line 2. If negative, enter a zero here. $

Questions 35 and 36 ask about earnings (wages, salaries, tips, etc.) in 2021. Answer the questions whether or not a tax return was filed. This information may be found on the W-2 forms or by adding up the following items: IRS Form 1040—line 1 (or IRS Form 1040-NR—line 1a) + Schedule 1—lines 3 + 6 + Schedule K-1 (IRS Form 1065)—Box 14 (Code A). If a tax form line's value is negative, treat it as a zero in your calculation.

35. How much did you earn from working in 2021? $

36. How much did your spouse earn from working in 2021? $

37. As of today, what is your (and spouse's) total current balance of cash, savings, and checking accounts? **Don't include** student financial aid. $

38. As of today, what is the net worth of your (and spouse's) investments, including real estate? **Don't include** the home you live in. **See Notes page 9.** $

39. As of today, what is the net worth of your (and spouse's) current businesses and/or investment farms? **Don't include** a family farm or family business with 100 or fewer full-time or full-time equivalent employees. **See Notes page 9**. $

40. Student's 2021 Additional Financial Information (Enter the combined amounts for you and your spouse.)

a. Education credits (American Opportunity Tax Credit and Lifetime Learning Tax Credit) from IRS Form 1040 Schedule 3—line 3. $

b. Child support **paid** because of divorce or separation or as a result of a legal requirement. **Don't include** support for children in your household, as reported in question 90. $

c. Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships. $

d. Taxable college grant and scholarship aid **reported to the IRS as income**. Includes AmeriCorps benefits (awards, living allowances and interest accrual payments), as well as grant and scholarship portions of fellowships and assistantships. $

e. Combat pay or special combat pay. Only enter the amount that was taxable and included in your adjusted gross income. **Don't include** untaxed combat pay. $

f. Earnings from work under a cooperative education program offered by a college. $

41. Student's 2021 Untaxed Income (Enter the combined amounts for you and your spouse.)

a. Payments to tax-deferred pension and retirement savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 forms in Boxes 12a through 12d, codes D, E, F, G, H and S. **Don't include** amounts reported in code DD (employer contributions toward employee health benefits). $

b. IRA deductions and payments to self-employed SEP, SIMPLE, Keogh and other qualified plans from IRS Form 1040 Schedule 1—total of lines 16 + 20. $

c. Child support **received** for any of your children. **Don't include** foster care or adoption payments. $

d. Tax exempt interest income from IRS Form 1040—line 2a. $

e. Untaxed portions of IRA distributions and pensions from IRS Form 1040—(lines 4a + 5a) minus (lines 4b + 5b). **Exclude rollovers.** If negative, enter a zero here. $

f. Housing, food and other living allowances paid to members of the military, clergy and others (including cash payments and cash value of benefits). **Don't include** the value of on-base military housing or the value of a basic military allowance for housing. $

g. Veterans noneducation benefits, such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC) and/or VA Educational Work-Study allowances. $

h. Other untaxed income not reported in items 41a through 41g, such as workers' compensation, disability benefits, and untaxed foreign income not earned from work. Also include the untaxed portions of health savings accounts from IRS Form 1040 Schedule 1—line 13. **Don't include** extended foster care benefits, student aid, earned income credit, additional child tax credit, welfare payments, untaxed Social Security benefits, Supplemental Security Income, Workforce Innovation and Opportunity Act educational benefits, on-base military housing or a military housing allowance, combat pay, benefits from flexible spending arrangements (e.g., cafeteria plans), foreign income exclusion or credit for federal tax on special fuels. $

i. Money received, or paid on your behalf (e.g., bills), not reported elsewhere on this form. This includes money that you received from a parent or other person whose financial information is not reported on this form and that is not part of a legal child support agreement. **See Notes page 9**. $

Step Three (Student):

Answer the questions in this step to determine if you will need to provide parental information. Once you answer **"Yes" to any** of the questions in this step, skip Step Four and go to Step Five on page 8.

42. Were you born before January 1, 2000? .... Yes ◯ 1 No ◯ 2

43. As of today, are you married? (Also answer "Yes" if you are separated but not divorced.) .... Yes ◯ 1 No ◯ 2

44. At the beginning of the 2023-2024 school year, will you be working on a master's or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, graduate certificate, etc.)? .... Yes ◯ 1 No ◯ 2

45. Are you currently serving on active duty in the U.S. Armed Forces for purposes other than training? **See Notes page 9**. .... Yes ◯ 1 No ◯ 2

46. Are you a veteran of the U.S. Armed Forces? **See Notes page 9**. .... Yes ◯ 1 No ◯ 2

47. Do you now have or will you have children who will receive more than half of their support from you between July 1, 2023 and June 30, 2024? .... Yes ◯ 1 No ◯ 2

48. Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2024? .... Yes ◯ 1 No ◯ 2

49. At any time since you turned age 13, were both your parents deceased, were you in foster care or were you a dependent or ward of the court? **See Notes page 10**. .... Yes ◯ 1 No ◯ 2

50. As determined by a court in your state of legal residence, are you or were you an emancipated minor? **See Notes page 10.** .. Yes ◯ 1 No ◯ 2

51. Does someone other than your parent or stepparent have legal guardianship of you, as determined by a court in your state of legal residence? **See Notes page 10.** .... Yes ◯ 1 No ◯ 2

52. At any time on or after July 1, 2022, did your high school or school district homeless liaison determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? **See Notes page 10**. ..... Yes ◯ 1 No ◯ 2

53. At any time on or after July 1, 2022, did the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? **See Notes page 10**. .... Yes ◯ 1 No ◯ 2

54. At any time on or after July 1, 2022, did the director of a runaway or homeless youth basic center or transitional living program determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless? **See Notes page 10**. .... Yes ◯ 1 No ◯ 2

If you (the student) answered "No" to every question in Step Three, go to Step Four.
If you answered "Yes" to any question in Step Three, skip Step Four and go to Step Five on page 8.
(Health professions and law school students: Your college may require you to complete Step Four even if you answered "Yes" to any Step Three question.)
If you believe that you are unable to provide parental information, see Notes page 10.

Step Four (Parent): Complete this step if you (the student) answered "No" to all questions in Step Three.

Answer all the questions in Step Four even if you do not live with your legal parents (biological, adoptive, or as determined by the state [for example, if the parent is listed on the birth certificate]). Grandparents, foster parents, legal guardians, widowed stepparents, aunts, uncles, and siblings are not considered parents on this form unless they have legally adopted you. If your legal parents are married to each other, or are not married to each other and **live together**, answer the questions about both of them. If your parent was never married or is remarried, divorced, separated or widowed, **see StudentAid.gov/fafsa-parent** and/or **Notes page 10** for additional instructions.

55. As of today, what is the marital status of your parents?

- Never married .... ◯ 2
- Unmarried and both legal parents living together. .... ◯ 5
- Married or remarried .... ◯ 1
- Divorced or separated .... ◯ 3
- Widowed .... ◯ 4

56. Month and year they were married, remarried, separated, divorced or widowed.

MONTH ☐☐ YEAR ☐☐☐☐

What are the Social Security Numbers, names and dates of birth of the parents reporting information on this form? If your parent does not have a Social Security Number, you must enter 000-00-0000. Don't enter an Individual Taxpayer Identification Number (ITIN) in the Social Security Number field. If the name includes a suffix, such as Jr. or III, include a space between the last name and suffix. Enter two digits for each day and month (e.g., for May 31, enter 05 31).

Questions 57-60 are for Parent 1 (father/mother/stepparent)

57. SOCIAL SECURITY NUMBER ☐☐☐–☐☐–☐☐☐☐
58. LAST NAME, AND ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐,
59. FIRST INITIAL ☐
60. DATE OF BIRTH ☐☐ ☐☐ ☐☐☐☐

Questions 61-64 are for Parent 2 (father/mother/stepparent)

61. SOCIAL SECURITY NUMBER ☐☐☐–☐☐–☐☐☐☐
62. LAST NAME, AND ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐,
63. FIRST INITIAL ☐
64. DATE OF BIRTH ☐☐ ☐☐ ☐☐☐☐

65. **Your parents' e-mail address.** If you provide your parents' e-mail address, we will let them know your FAFSA form has been processed. This e-mail address will also be shared with your state and the colleges listed on your FAFSA form to allow them to electronically communicate with your parents.

66. What is your parents' state of legal residence? STATE ☐☐

67. Did your parents become legal residents of this state before January 1, 2018? Yes ◯ 1 No ◯ 2

68. If the answer to question 67 is "No," give the month and year legal residency began for the parent who has lived in the state the longest. MONTH ☐☐ YEAR ☐☐☐☐

69. How many people are in your parents' household? ☐☐
Include:
yourself, even if you don't live with your parents,
- your parents,
- your parents' other children (even if they do not live with your parents) if (a) your parents will provide more than half of their support between July 1, 2023 and June 30, 2024, or (b) the children could answer "No" to every question in Step Three on page 5 of this form, and
- other people if they now live with your parents, your parents provide more than half of their support and your parents will continue to provide more than half of their support between July 1, 2023 and June 30, 2024.

70. How many people in your parents' household (from question 69) will be college students between July 1, 2023 and June 30, 2024? ☐
Always count yourself as a college student. Do not include your parents. Do not include siblings who are in U.S. military service academies. You may include others only if they will attend, at least half-time in 2023-2024, a program that leads to a college degree or certificate.

At any time during 2021 or 2022, did you, your parents, or anyone in your parents' household (from question 69) receive benefits from any of the federal programs listed?
Mark all that apply. Answering these questions will NOT reduce eligibility for student aid or these programs. TANF has different names in many states. Call 1-800-433-3243 to find out the name of your state's program. If you, your parents, or anyone in your household receives any of these benefits after filing the FAFSA form but before December 31, 2022, you must update your response by logging in to **fafsa.gov** and selecting "Make FAFSA Corrections."

71. Medicaid or Supplemental Security Income (SSI) ◯
72. Supplemental Nutrition Assistance Program (SNAP) ◯
73. Free or Reduced Price School Lunch ◯
74. Temporary Assistance for Needy Families (TANF) ◯
75. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) ◯

If your answer to question 55 was "Unmarried and both legal parents living together," contact 1-800-433-3243 for help with questions 76-89.

76. For 2021, have your parents completed their IRS income tax return or another tax return listed in question 77?

- My parents have already completed their return. ◯ 1
- My parents will file but have not yet completed their return........ ◯ 2
- My parents are not going to file. **Skip to question 83**........ ◯ 3

77. What income tax return did your parents file or will they file for 2021?

- IRS Form 1040 .... ◯ 1
- A foreign tax return or IRS Form 1040-NR. **See Notes page 9**. .... ◯ 3
- A tax return with Puerto Rico, another U.S. territory or Freely Associated State. **See Notes page 9**. .... ◯ 4

78. For 2021, what is or will be your parents' tax filing status according to their tax return?

- Single .... ◯ 1
- Head of household........ ◯ 4
- Married—filed joint return .... ◯ 2
- Married—filed separate return .... ◯ 3
- Qualifying widow(er)........ ◯ 5
- Don't know .... ◯ 6

79. Did (or will) your parents file a Schedule 1 with their 2021 tax return? Answer "**No**" if they did not file a Schedule 1 or **only filed** a Schedule 1 to report: unemployment compensation, educator expenses, IRA deduction, student loan interest deduction, or Alaska Permanent Fund dividend. **See Notes page 9.**
Yes ◯ 2 No ◯ 1 Don't know ◯ 3

80. As of today, is either of your parents a dislocated worker? **See Notes page 10.**
Yes ◯ 1 No ◯ 2 Don't know ◯ 3

For questions 81–89, if the answer is zero or the question does not apply, enter 0. Report whole dollar amounts with no cents.

81. What was your parents' adjusted gross income for 2021? Adjusted gross income is on IRS Form 1040—line 11. $

82. Enter your parents' income tax for 2021. Income tax amount is the total of IRS Form 1040—line 22 minus Schedule 2—line 2. If negative, enter a zero here. $

Questions 83 and 84 ask about earnings (wages, salaries, tips, etc.) in 2021. Answer the questions whether or not a tax return was filed. This information may be found on the W-2 forms or by adding up the following items: IRS Form 1040—line 1 (or IRS Form 1040-NR—line 1a) + Schedule 1—lines 3 + 6 + Schedule K-1 (IRS Form 1065)—Box 14 (Code A). Report the information for the parent listed in questions 57-60 in question 83 and the information for the parent listed in questions 61-64 in question 84. If a tax form line's value is negative, treat it as a zero in your calculation.

83. How much did Parent 1 (father/mother/stepparent) earn from working in 2021? $

84. How much did Parent 2 (father/mother/stepparent) earn from working in 2021? $

85. As of today, what is your parents' total current balance of cash, savings, and checking accounts? **Don't include** student financial aid. $

86. As of today, what is the net worth of your parents' investments, including real estate? **Don't include** the home in which your parents live. **See Notes page 9.** $

87. As of today, what is the net worth of your parents' current businesses and/or investment farms? **Don't include** a family farm or family business with 100 or fewer full-time or full-time equivalent employees. **See Notes page 9**. $

88. Parents' 2021 Additional Financial Information (Enter the amounts for your parent[s].)

a. Education credits (American Opportunity Tax Credit and Lifetime Learning Tax Credit) from IRS Form 1040 Schedule 3—line 3. $

b. Child support **paid** because of divorce or separation or as a result of a legal requirement. **Don't include** support for children in your parents' household, as reported in question 69. $

c. Your parents' taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships. $

d. Your parents' taxable college grant and scholarship aid **reported to the IRS as income**. Includes AmeriCorps benefits (awards, living allowances and interest accrual payments), as well as grant and scholarship portions of fellowships and assistantships. $

e. Combat pay or special combat pay. Only enter the amount that was taxable and included in your parents' adjusted gross income. **Don't include** untaxed combat pay. $

f. Earnings from work under a cooperative education program offered by a college. $

89. Parents' 2021 Untaxed Income (Enter the amounts for your parent[s].)

a. Payments to tax-deferred pension and retirement savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 forms in Boxes 12a through 12d, codes D, E, F, G, H and S. **Don't include** amounts reported in code DD (employer contributions toward employee health benefits). $

b. IRA deductions and payments to self-employed SEP, SIMPLE, Keogh and other qualified plans from IRS Form 1040 Schedule 1—total of lines 16 + 20. $

c. Child support **received** for any of your parents' children. **Don't include** foster care or adoption payments. $

d. Tax exempt interest income from IRS Form 1040—line 2a. $

e. Untaxed portions of IRA distributions and pensions from IRS Form 1040—(lines 4a + 5a) minus (lines 4b + 5b). **Exclude rollovers.** If negative, enter a zero here. $

f. Housing, food and other living allowances paid to members of the military, clergy and others (including cash payments and cash value of benefits). **Don't include** the value of on-base military housing or the value of a basic military allowance for housing. $

g. Veterans noneducation benefits, such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC) and/or VA Educational Work-Study allowances. $

h. Other untaxed income not reported in items 89a through 89g, such as workers' compensation, disability benefits, and untaxed foreign income not earned from work. Also include the untaxed portions of health savings accounts from IRS Form 1040 Schedule 1—line 13. **Don't include** extended foster care benefits, student aid, earned income credit, additional child tax credit, welfare payments, untaxed Social Security benefits, Supplemental Security Income, Workforce Innovation and Opportunity Act educational benefits, on-base military housing or a military housing allowance, combat pay, benefits from flexible spending arrangements (e.g., cafeteria plans), foreign income exclusion or credit for federal tax on special fuels. $

Step Five (Student): Complete this step only if you (the student) answered "Yes" to any questions in Step Three.

90. How many people are in your household?
Include:
- yourself (and your spouse),
- your children, if you will provide more than half of their support between July 1, 2023 and June 30, 2024, even if they do not live with you, and
- other people if they now live with you, you provide more than half of their support and you will continue to provide more than half of their support between July 1, 2023 and June 30, 2024.

91. How many people in your (and your spouse's) household (from question 90) will be college students between July 1, 2023 and June 30, 2024? Always count yourself as a college student. Do not include family members who are in U.S. military service academies. Include others only if they will attend, at least half-time in 2023-2024, a program that leads to a college degree or certificate.

At any time during 2021 or 2022, did you (or your spouse) or anyone in your household (from question 90) receive benefits from any of the federal programs listed? Mark all that apply. Answering these questions will NOT reduce eligibility for student aid or these programs. TANF has different names in many states. Call 1-800-433-3243 to find out the name of your state's program. If you (or your spouse) or anyone in your household receives any of these benefits after filing the FAFSA form but before December 31, 2022, you must update your response by logging in to **fafsa.gov** and selecting "Make FAFSA Corrections."

92. Medicaid or Supplemental Security Income (SSI) ○
93. Supplemental Nutrition Assistance Program (SNAP) ○
94. Free or Reduced Price School Lunch ○
95. Temporary Assistance for Needy Families (TANF) ○
96. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) ○

97. As of today, are you (or your spouse) a dislocated worker? **See Notes page 10.** Yes ○ 1 No ○ 2 Don't know ○ 3

Step Six (Student): Indicate which colleges you want to receive your FAFSA information.

Enter the six-digit federal school code and your housing plans for each college or school you want to receive your FAFSA information. You can find the school codes at **StudentAid.gov/fafsa-app/FSCsearch** or by calling 1-800-433-3243. If you cannot obtain a code, write in the complete name, address, city and state of the college. If you want more schools to receive your FAFSA information, read ***What is the FAFSA form?*** on page 2. All of the information you included on your FAFSA form, *with the exception of the list of colleges*, will be sent to each of the colleges you listed. In addition, all of your FAFSA information, *including the list of colleges*, will be sent to your state grant agency. For federal student aid purposes, it does not matter in what order you list your selected schools. However, the order in which you list schools may affect your eligibility for state aid. Consult your state agency or **StudentAid.gov/order** for details.

					HOUSING PLANS
98. a	1ST FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE / ADDRESS AND CITY	STATE	98. b on campus ○ 1 with parent ○ 2 off campus ○ 3
98. c	2ND FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE / ADDRESS AND CITY	STATE	98. d on campus ○ 1 with parent ○ 2 off campus ○ 3
98. e	3RD FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE / ADDRESS AND CITY	STATE	98. f on campus ○ 1 with parent ○ 2 off campus ○ 3
98. g	4TH FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE / ADDRESS AND CITY	STATE	98. h on campus ○ 1 with parent ○ 2 off campus ○ 3

Step Seven (Student and Parent): Read, sign and date.

If you are the student, by signing this application you certify that you (1) will use federal and/or state student financial aid only to pay the cost of attending an institution of higher education, (2) are not in default on a federal student loan or have made satisfactory arrangements to repay it, (3) do not owe money back on a federal student grant or have made satisfactory arrangements to repay it, (4) will notify your college if you default on a federal student loan and (5) will not receive a Federal Pell Grant from more than one college for the same period of time.

If you are the parent or the student, by signing this application you certify that all of the information you provided is true and complete to the best of your knowledge and you agree, if asked, to provide information that will verify the accuracy of your completed form. This information may include U.S. or state income tax forms that you filed or are required to file. Also, you certify that you understand that **the Secretary of Education has the authority to verify information reported on this application with the Internal Revenue Service and other federal agencies.** If you electronically sign any document related to the federal student aid programs using an FSA ID (username and password) and/or any other credential, you certify that you are the person identified by that username and password and/or other credential, and have not disclosed that username and password and/or other credential to anyone else. If you purposely give false or misleading information, you may be fined up to $20,000, sent to prison, or both.

99. Date this form was completed
MONTH DAY
2022 ○
2023 ○
2024 ○

100. Student (Sign below)
1

Parent (A parent from Step Four sign below.)
2

If a fee was paid to someone for advice or for completing this form, that person must complete this section.

Preparer's name, firm and address

101. Preparer's Social Security Number (or 102)

102. Employer ID number (or 101)

103. Preparer's signature and date
1

COLLEGE USE ONLY
D/O ○ 1 Homeless Youth Determination ○ 4
FEDERAL SCHOOL CODE
FAA Signature
1

DATA ENTRY USE ONLY: ○ P ○ * ○ L ○ E

Notes for question 8 (page 3)

Enter your Social Security Number (SSN) as it appears on your Social Security card. If you are a resident of one of the Freely Associated States (i.e., the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia) and were issued an identification number beginning with "666" when submitting a FAFSA form previously, enter that number here. If you are a first-time applicant from one of the Freely Associated States, enter "666" in the first three boxes of the Social Security Number field and leave the remaining six positions blank, and we will create an identification number to be used for federal student aid purposes. Do not enter an Individual Taxpayer Identification Number (ITIN) in the Social Security Number field.

Notes for questions 14 and 15 (page 3)

If you are an eligible noncitizen, write in your eight- or nine-digit Alien Registration Number. Generally, you are an eligible noncitizen if you are (1) a permanent U.S. resident with a Permanent Resident Card (I-551); (2) a conditional permanent resident with a Conditional Green Card (I-551C); (3) the holder of an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: "Refugee," "Asylum Granted," "Parolee" (I-94 confirms that you were paroled for a minimum of one year and status has not expired), T-Visa holder (T-1, T-2, T-3, etc.) or "Cuban-Haitian Entrant;" or (4) the holder of a valid certification or eligibility letter from the Department of Health and Human Services showing a designation of "Victim of human trafficking."

If you are in the U.S. and have been granted Deferred Action for Childhood Arrivals (DACA); an F-1, F-2, or M-1 student visa; a J-1 or J-2 exchange visitor visa; or a G series visa (pertaining to international organizations), select "No, I am not a citizen or eligible noncitizen." You will not be eligible for federal student aid. If you have a Social Security Number but are not a citizen or an eligible noncitizen, including if you have been granted DACA, you should still complete the FAFSA form because you may be eligible for state or college aid.

Notes for questions 16 and 17 (page 3)

Report your marital status as of the date you sign your FAFSA form. If your marital status changes after you sign your FAFSA form, check with the **financial aid office at the college**.

Notes for questions 30 (page 4) and 77 (page 6)

If you filed or will file a foreign tax return or IRS Form1040-NR, or a tax return with Puerto Rico, another U.S. territory (e.g., Guam, American Samoa, the U.S. Virgin Islands, Swain's Island or the Northern Marianas Islands) or one of the Freely Associated States, use the information from that return to fill out this form. If you filed a foreign return, convert all monetary units to U.S. dollars, using the published exchange rate in effect for the date nearest to today's date. To view the daily exchange rates, go to **federalreserve.gov/releases/h10/current**.

Notes for questions 32 (page 4) and 79 (page 6)

Answer "**No**" if you (and if married, your spouse) did not file a Schedule 1.

Answer "**No**" if you (and if married, your spouse) did or will file a Schedule 1 to report **only one or more** of the following items:

1. Unemployment compensation (line 7)
2. Alaska Permanent Fund dividends (line 8f)
3. Educator expenses (line 11)
4. IRA deduction (line 20)
5. Student loan interest deduction (line 21)

Answer "**Yes**" if you (or if married, your spouse) filed or will file a Schedule 1 and reported additional income or adjustments to income on any lines **other than or in addition to** the five exceptions listed above.

If you do not know if you filed or will file a Schedule 1, select "**Don't know**."

Notes for questions 38 and 39 (page 4), 41i (page 5), and 86 and 87 (page 7)

Net worth means the current value, as of today, of investments, businesses, and/or investment farms, minus debts related to those same investments, businesses, and/or investment farms. When calculating net worth, use 0 for investments or properties with a negative value.

Investments include real estate (do not include the home in which you live), rental property (includes a unit within a family home that has its own entrance, kitchen, and bath rented to someone other than a family member), trust funds, UGMA and UTMA accounts, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, installment and land sale contracts (including mortgages held), commodities, etc.

Investments also include qualified educational benefits or education savings accounts (e.g., Coverdell savings accounts, 529 college savings plans and the refund value of 529 prepaid tuition plans). For a student who does not report parental information, the accounts owned by the student (and/or the student's spouse) are reported as student investments in question 38. For a student who must report parental information, the accounts are reported as parental investments in question 86, including all accounts owned by the student and all accounts owned by the parents for any member of the household.

Money received, or paid on your behalf, also includes distributions to you (the student beneficiary) from a 529 plan that is owned by someone other than you or your parents (such as your grandparents, aunts, uncles, and non-custodial parents). You must include these distribution amounts in question 41i.

Investments do not include the home you live in, the value of life insurance, ABLE accounts, retirement plans (401[k] plans, pension funds, annuities, non-education IRAs, Keogh plans, etc.) or cash, savings and checking accounts already reported in questions 37 and 85.

Investments also do not include UGMA and UTMA accounts for which you are the custodian, but not the owner.

Investment value means the current balance or market value of these investments as of today. Investment debt means only those debts that are related to the investments.

Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.

Business value does not include the value of a small business if your family owns and controls more than 50 percent of the business and the business has 100 or fewer full-time or full-time equivalent employees. For small business value, your family includes (1) persons directly related to you, such as a parent, sister or cousin, or (2) persons who are or were related to you by marriage, such as a spouse, stepparent or sister-in-law.

Investment farm value does not include the value of a family farm that you (your spouse and/or your parents) live on and operate.

Notes for question 45 (page 5)

Answer "**Yes**" if you are currently serving in the U.S. Armed Forces or are a National Guard or Reserves enlistee who is on active duty for other than state or training purposes.

Answer "**No**" if you are a National Guard or Reserves enlistee who is on active duty for state or training purposes.

Notes for question 46 (page 5)

Answer "**Yes**" (you are a veteran) if you (1) have engaged in active duty (including basic training) in the U.S. Armed Forces, or are a National Guard or Reserves enlistee who was called to active duty for other than state or training purposes, or were a cadet or midshipman at one of the service academies, **and** (2) were released under a condition other than dishonorable. Also answer "**Yes**" if you are not a veteran now but will be one by June 30, 2024.

Answer "**No**" (you are not a veteran) if you (1) have never engaged in active duty (including basic training) in the U.S. Armed Forces, (2) are currently an ROTC student or a cadet or midshipman at a service academy, (3) are a National Guard or Reserves enlistee activated only for state or training purposes, or (4) were engaged in active duty in the U.S. Armed Forces but released under dishonorable conditions.

Also answer "**No**" if you are currently serving in the U.S. Armed Forces and will continue to serve through June 30, 2024.

Notes continue on Page 10.

Notes for question 49 (page 5)

Answer "**Yes**" if at any time since you turned age 13:

- You had no living parent, even if you are now adopted; or
- You were in foster care, even if you are no longer in foster care today; or
- You were a dependent or ward of the court, even if you are no longer a dependent or ward of the court today. For federal student aid purposes, someone who is incarcerated is not considered a ward of the court.

If you are not sure if you were in foster care, check with your state child welfare agency. You can find that agency's contact information at **childwelfare.gov/nfcad**.

The financial aid administrator at your school may require you to provide proof that you were in foster care or a dependent or ward of the court.

Notes for questions 50 and 51 (page 5)

The definition of legal guardianship does not include your parents, even if they were appointed by a court to be your guardians. You are also not considered a legal guardian of yourself.

Answer "**Yes**" if you can provide a copy of a court's decision that as of today you are an emancipated minor or are in legal guardianship. Also answer "**Yes**" if you can provide a copy of a court's decision that you were an emancipated minor or were in legal guardianship immediately before you reached the age of being an adult in your state. The court must be located in your state of legal residence at the time the court's decision was issued.

Answer "**No**" if you are still a minor and the court decision is no longer in effect or the court decision was not in effect at the time you became an adult. Also answer "**No**" and contact your school if custody was awarded by the courts and the court papers say "custody" (not "guardianship").

The financial aid administrator at your college may require you to provide proof that you were an emancipated minor or in legal guardianship.

Notes for questions 52–54 (page 5)

Answer "**Yes**" if you received a determination at any time on or after July 1, 2022, that you were an unaccompanied youth who was homeless or at risk of being homeless.

- "**Homeless**" means lacking fixed, regular and adequate housing. You may be homeless if you are living in shelters, parks, motels, hotels, public spaces, camping grounds, cars, abandoned buildings, or temporarily living with other people because you have nowhere else to go. Also, if you are living in any of these situations and fleeing an abusive parent, you may be considered homeless even if your parent would otherwise provide a place to live.
- "**Unaccompanied**" means you are not living in the physical custody of your parent or guardian.

Answer "**No**" if you are not homeless or at risk of being homeless, or do not have a determination. However, even if you answer "**No**" to each of questions 52, 53, and 54, you should contact the financial aid administrator at the college you plan to attend if you are either (1) homeless and unaccompanied or (2) at risk of being homeless, unaccompanied, and providing for your own living expenses - as your college financial aid office can determine that you are "homeless" and are not required to provide parental information.

The financial aid administrator at your college may require you to provide a copy of the determination if you answered "**Yes**" to any of these questions.

Notes for students unable to provide parental information on pages 6 and 7

Under very limited circumstances (for example, your parents are incarcerated; you have left home due to an abusive family environment; or you do not know where your parents are and are unable to contact them), you may be able to submit your FAFSA form without parental information. **If you are unable to provide parental information**, skip Steps Four and Five, and go to Step Six. Once you submit your FAFSA form without parental data, **you must follow up with the financial aid office at the college you plan to attend**, in order to complete your FAFSA form.

Notes for Step Four, questions 55–89 (pages 6 and 7)

Review all instructions below to determine who is considered a parent on this form:

- If your parent was never married and does not live with your other legal parent, or if your parent is widowed and not remarried, answer the questions about that parent.
- If your legal parents (biological, adoptive, or as determined by the state [for example, if the parent is listed on the birth certificate]) are not married to each other and **live together**, select "Unmarried and both legal parents living together" and provide information about both of them regardless of their gender. Do not include any person who is not married to your parent and who is not a legal or biological parent. Contact 1-800-433-3243 for assistance in completing questions 76-89, or visit **StudentAid.gov/fafsa-parent**.
- If your legal parents are married, select "Married or remarried." If your legal parents are divorced but living together, select "Unmarried and both legal parents living together." If your legal parents are separated but living together, select "Married or remarried," not "Divorced or separated."
- If your parents are divorced or separated, answer the questions about the parent you lived with more during the past 12 months. (If you did not live with one parent more than the other, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent.) **If this parent is remarried as of today, answer the questions about that parent and your stepparent.**
- If your widowed parent is remarried as of today, answer the questions about that parent and your stepparent.

Notes for questions 80 (page 6) and 97 (page 8)

In general, a person may be considered a dislocated worker if he or she:

- is receiving unemployment benefits due to being laid off or losing a job and is unlikely to return to a previous occupation;
- has been laid off or received a lay-off notice from a job;
- was self-employed but is now unemployed due to economic conditions or natural disaster; or
- is the spouse of an active duty member of the Armed Forces and has experienced a loss of employment because of relocating due to permanent change in duty station; or
- is the spouse of an active duty member of the Armed Forces and is unemployed or underemployed, and is experiencing difficulty in obtaining or upgrading employment; or
- is a displaced homemaker. A displaced homemaker is generally a person who previously provided unpaid services to the family (e.g., a stay-at-home mom or dad), is no longer supported by the spouse, is unemployed or underemployed, and is having trouble finding or upgrading employment.

Except for the spouse of an active duty member of the Armed Forces, if a person quits work, generally he or she is not considered a dislocated worker even if, for example, the person is receiving unemployment benefits.

Answer "**Yes**" to question 80 if your parent is a dislocated worker. Answer "**Yes**" to question 97 if you or your spouse is a dislocated worker.

Answer "**No**" to question 80 if your parent is not a dislocated worker. Answer "**No**" to question 97 if neither you nor your spouse is a dislocated worker.

Answer "**Don't know**" to question 80 if you are not sure whether your parent is a dislocated worker. Answer "**Don't know**" to question 97 if you are not sure whether you or your spouse is a dislocated worker. You can contact your financial aid office for assistance in answering these questions.

The financial aid administrator at your college may require you to provide proof that your parent is a dislocated worker, if you answered "**Yes**" to question 80, or that you or your spouse is a dislocated worker, if you answered "**Yes**" to question 97.

Master Promissory Note (MPN)

The *Master Promissory Note* (MPN) is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the U.S. Department of Education. It also explains the terms and conditions of your loan(s).

You may receive more than one loan under an MPN over a period of up to 10 years to pay for your or your child's educational costs, as long as the school is authorized to use the MPN in this way and chooses to do so.

The school will tell you which loans, if any, you are eligible to receive.

Student Loan Entrance Counseling

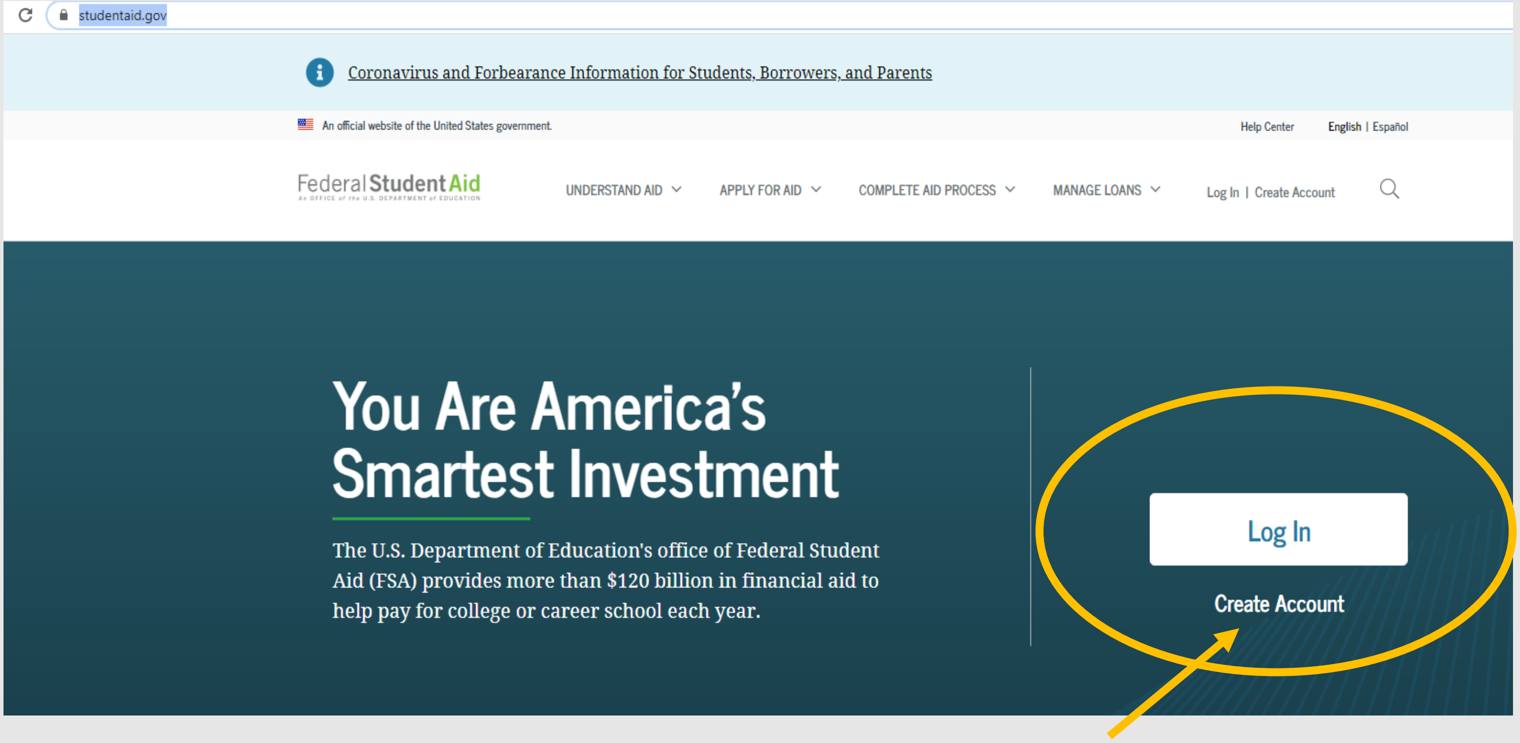
Entrance counseling is a requirement that ensures you understand the terms and conditions of your loan and your rights and responsibilities. You'll learn what a loan is, how interest works, your options for repayment, and how to avoid delinquency and default.

When you're finished, a record of your completion will be sent to the schools you selected, and you can then receive your loan money. Keep in mind that you cannot save and leave an incomplete session; you must complete entrance counseling in one sitting.

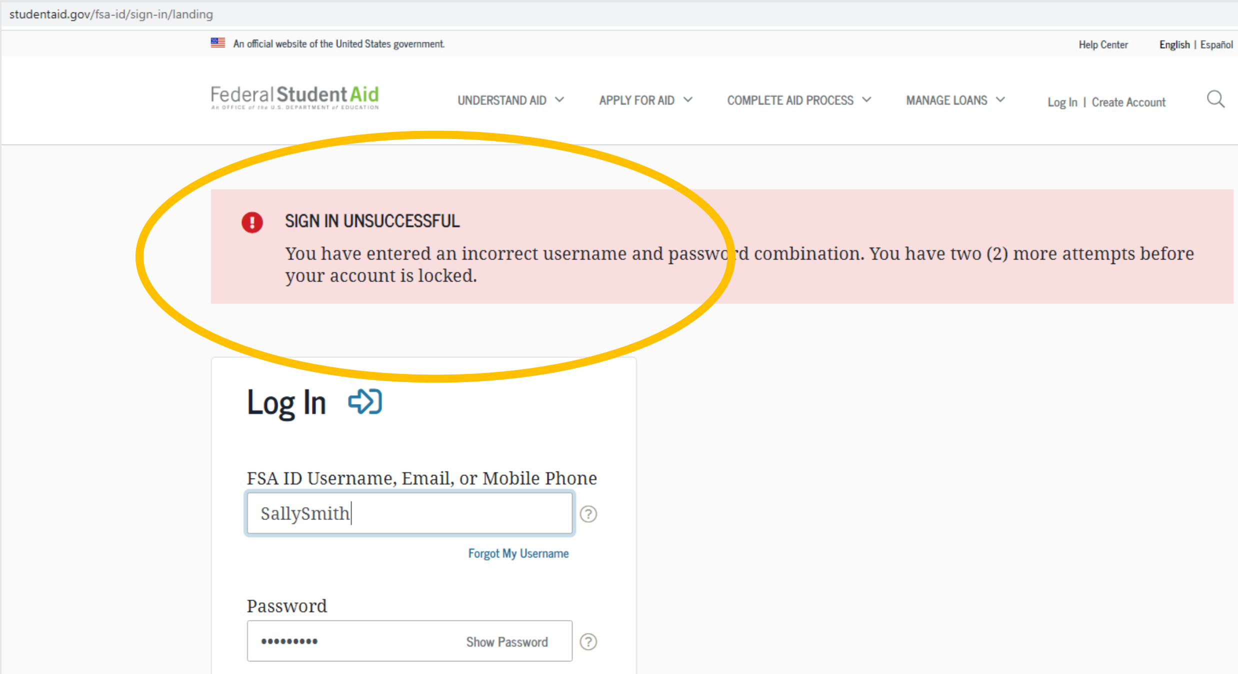
Log In or Create Account

- Log on to studentaid.gov using the FSA ID and password.

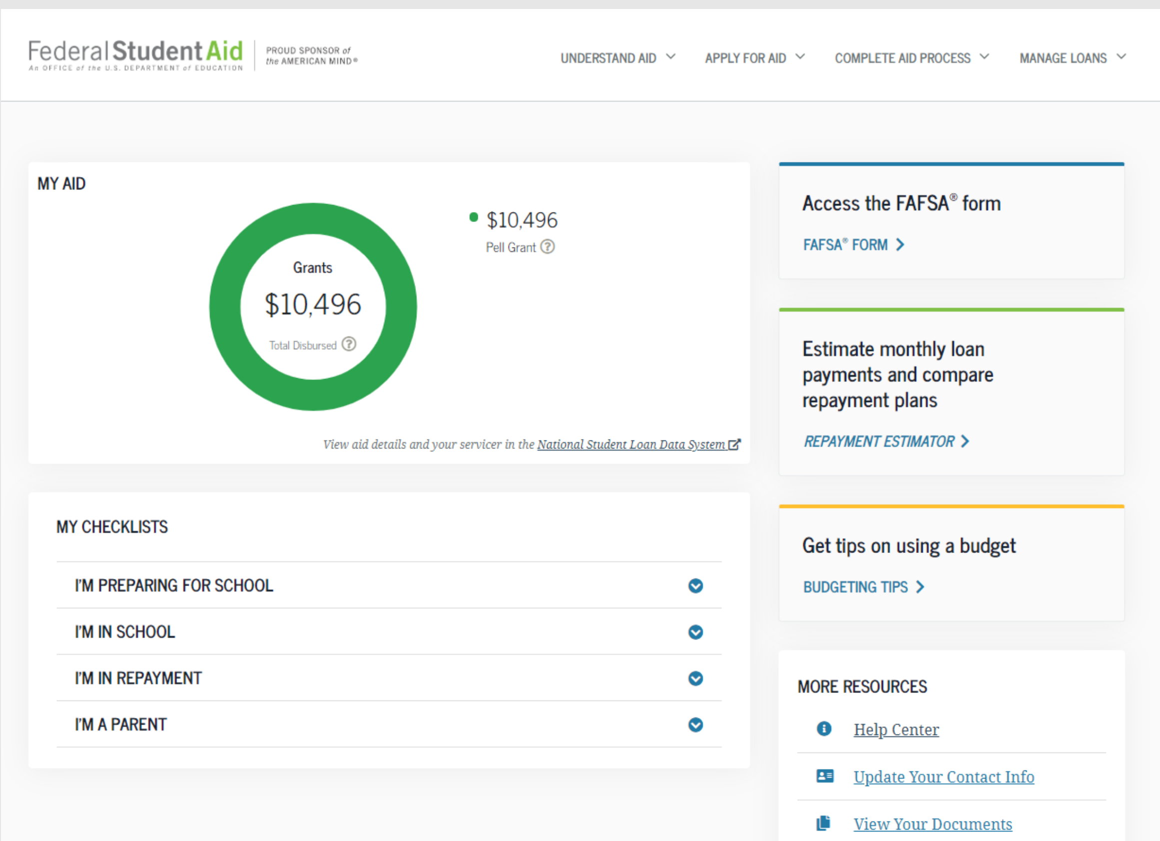
If you have not yet created an FSA ID and password do so now.



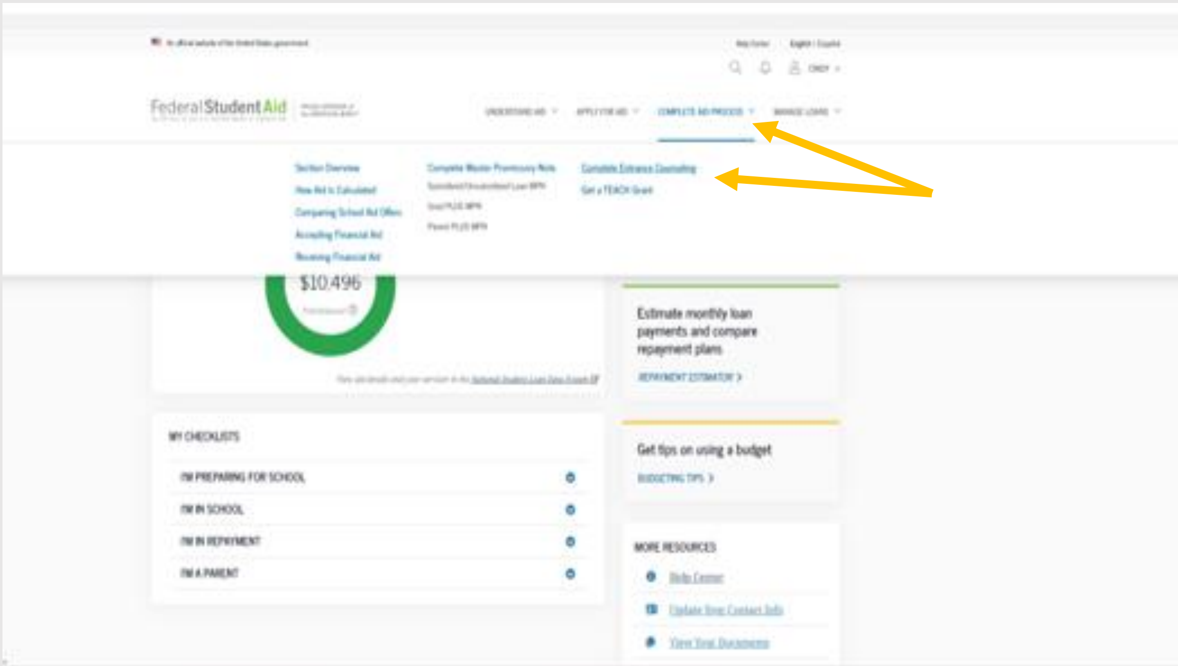
- It is important to know and keep your FSA ID and password in a secure place to avoid delays in processing your Federal Student Aid applications.



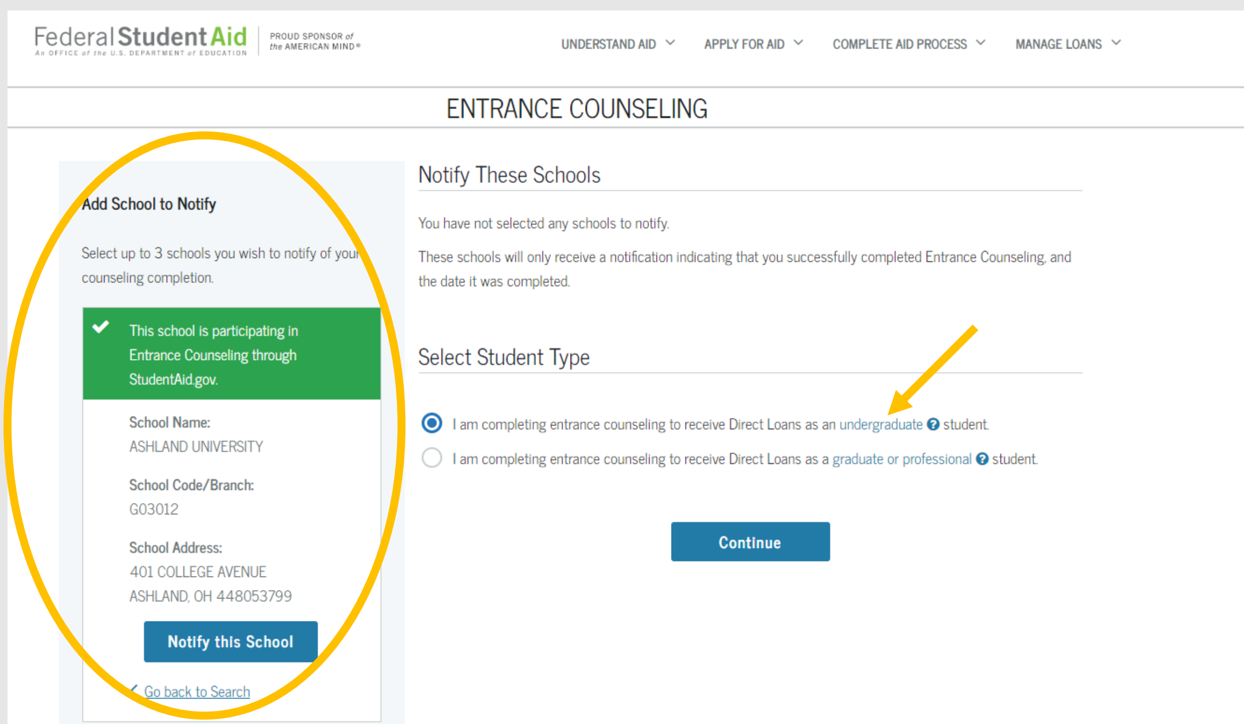
- The first screen provides ***your*** aid history



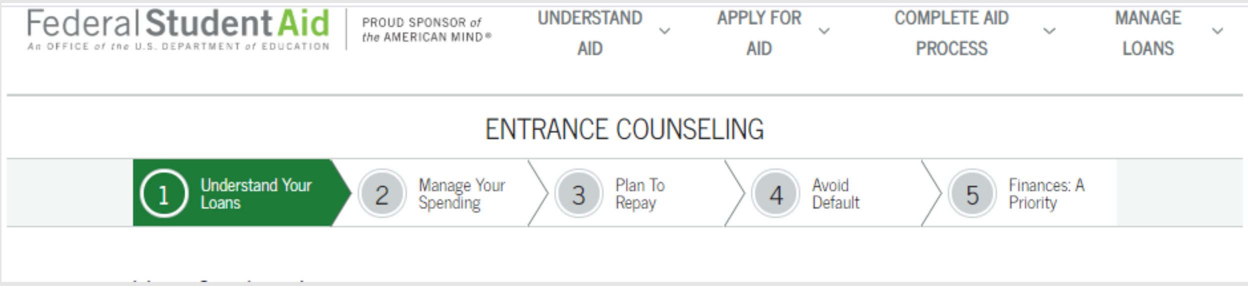
Select Complete Aid Processes, then Complete Entrance Counseling



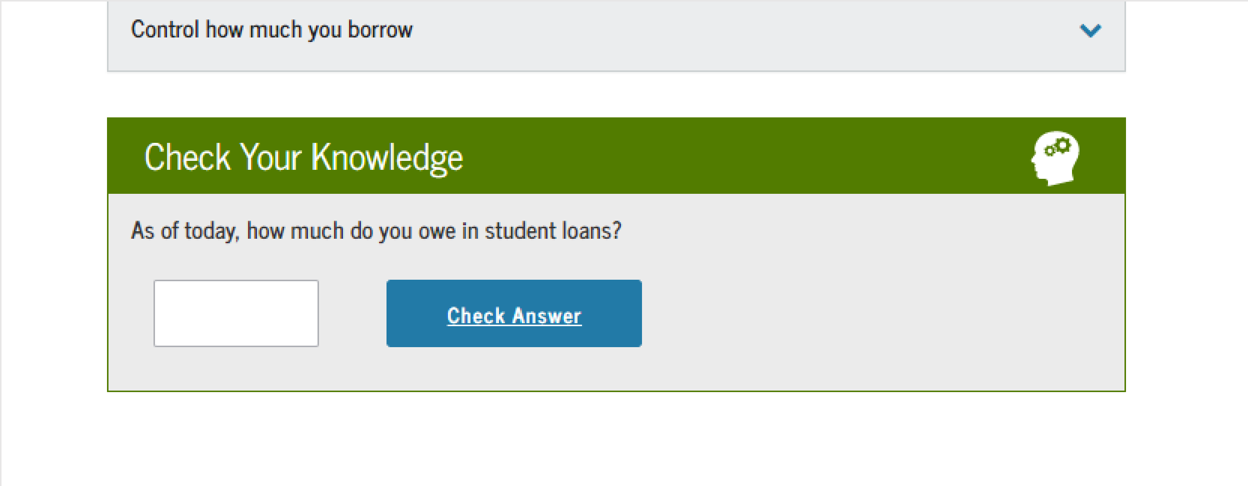
- Add Ashland University as a “School to Notify”
  - Remember you are an UNDERGRADUATE



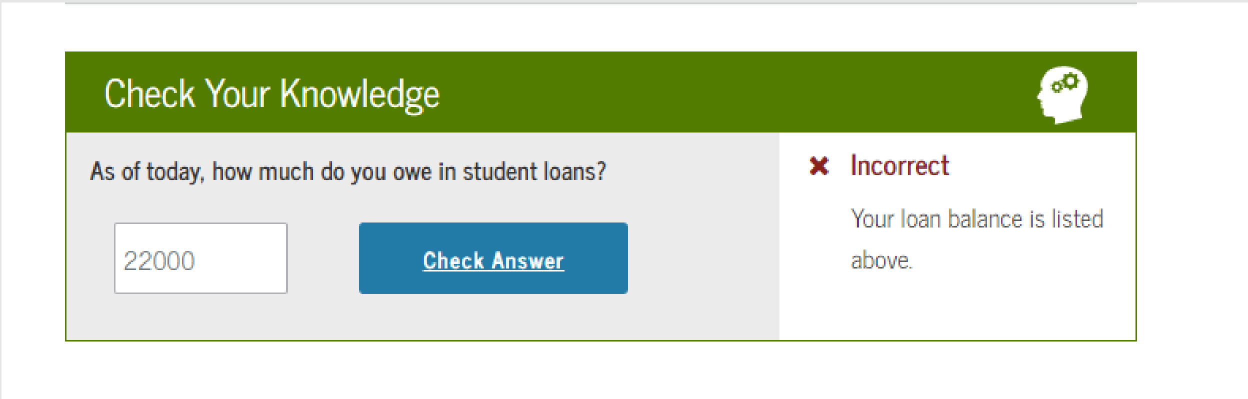
- Follow your progress in the bar at the top of the screen



- Be sure to answer the “Check Your Knowledge” questions



- Use the “Check Answer” button for help.



- The School Expense Budget page is for your reference only

EXAMPLE: Typically, students in the AU CEP Re-entry program have a $0 EFC on the FAFSA. This means you may qualify for full Pell grant. For a 3-semester school year, this could be up to $9292 for a full-time student.

Here is where you *estimate* the loan amount you are requesting.

Your School Expense Budget

Enter the amount you expect to receive to help pay for school this year. Refer to your student account to see the financial aid package awarded. If you have not received your financial aid package, refer to the Loan Limits in Understand Your Loans.

Your Funds

Student Aid (Yearly)	**$ 9,292**	**Other Funds (Yearly)**	**$ 5,000**
Scholarships	0	Employment	5000
Grants	9292	Parental Contributions	0
Federal Work-Study Jobs	0	Prepaid Tuition	0
Federal Student Loans	0	Personal Savings	0
Private Loans	0	Other Contributions	0

Your Funds This Year **$ 14,292**

- Some examples you may use in the Your Expenses section may look like this:

* Your program tuition and fees are $361 a credit hour. A 3-term, full time student would incur $12996 in tuition and fees in the Re-entry program. Books are included in this cost.

Your Expenses

These are average expenses for an undergraduate at the specific school or general type of school selected, as of 2020. Educational expense fields will display $0 if the specific school selected has not provided expense data.

Educational Expenses (Yearly) **$ 12,996**

Choose the average expenses for an undergraduate at your specific school or general type of school, as of 2020 to display below. Or add your expenses yourself.

Select type of school	ASHLAND UI
Select type of tuition	In-State
Select living arrangement	Off-Campus
Tuition and Fees	12996
Housing and Meals	0
Books and Supplies	0
Transportation	0

Other Expenses (Monthly) **$ 0**

Savings	0
Clothing	0
Utilities (e.g. phone, internet)	0
Entertainment	0
Medical Insurance & Expenses	0
Other	0

Remember!

Visit HealthCare.gov. You may qualify for lower costs on health coverage, and many people can get coverage for less than $100 per month.

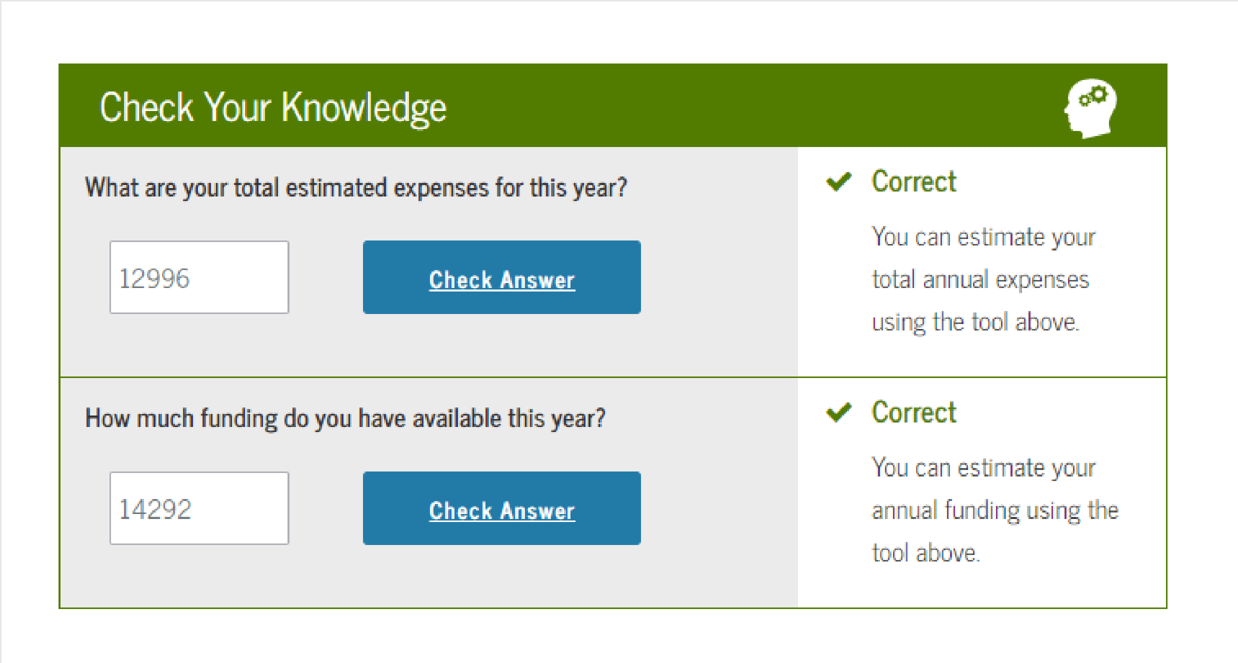
Your Expenses This Year **$ 12,996**

Financial Summary for the School Year Print

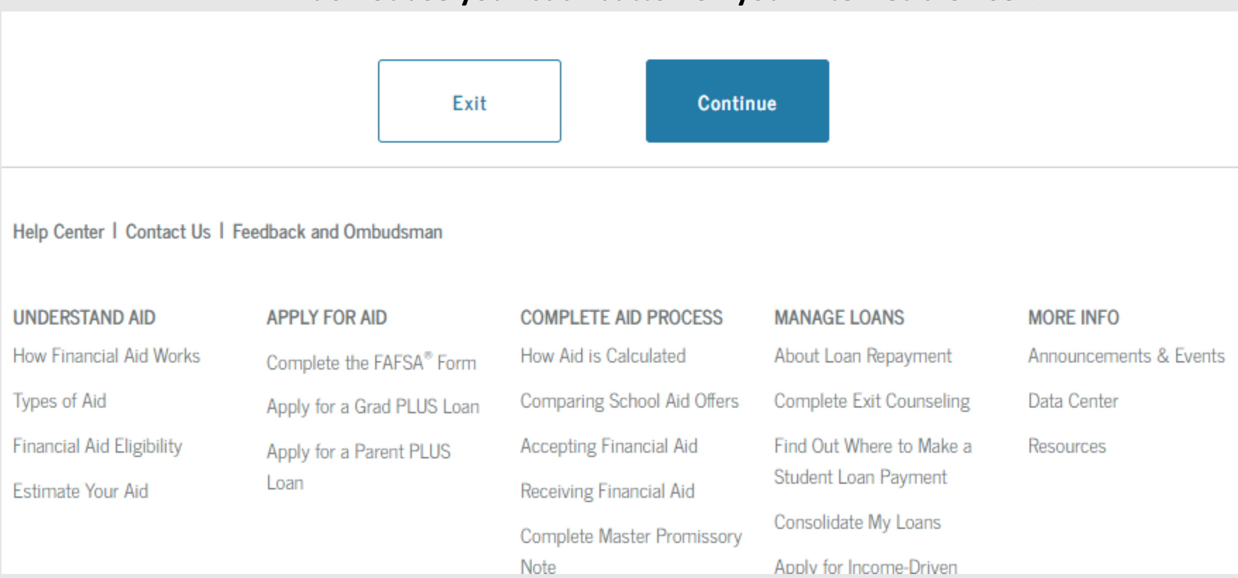
Things to consider when filling out the Expenses section are:

1) Cost of out of pocket supplies not already provided by Ashland University, such as a laptop.
2) Be conservative—student loans **must be repaid, with interest**.

- These answers come from the Expense worksheets you completed



- Use the EXIT and CONTINUE buttons on the bottom of each screen, **do not use your back button on your internet browser**.



Very IMPORTANT—SUBMIT YOUR ENTRANCE COUNSELING:

the previous topics)

- Look for low interest rate and fees.

build credit - making you
student loan payments o
will help you build up a c
history

Exit

Submit Counseling

Make sure you see this confirmation screen!

CINDY, you have successfully completed Entrance Counseling!

The following is a summary of the information you entered during this session and future actions you can take.

Selected Schools

The following schools will be notified of your entrance counseling completion:

ASHLAND UNIVERSITY
401 COLLEGE AVENUE
ASHLAND, OH 448053799

Loan Information

Current Loan Balance: $0

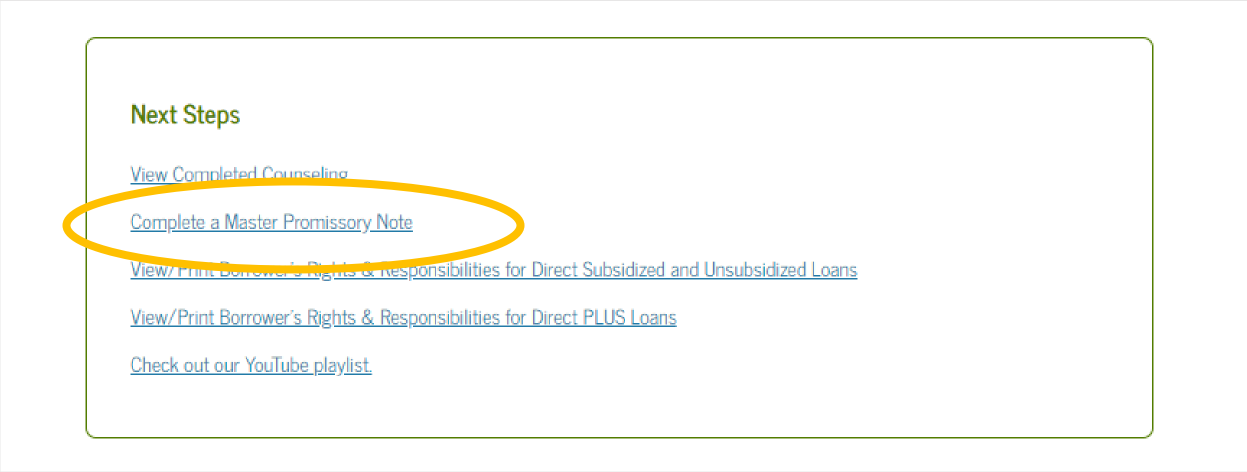
Servicer(s):

Loan	Date	Servicer	Balance
N/A	N/A	N/A	N/A

Hide Balance Details

Complete a Master Promissory Note

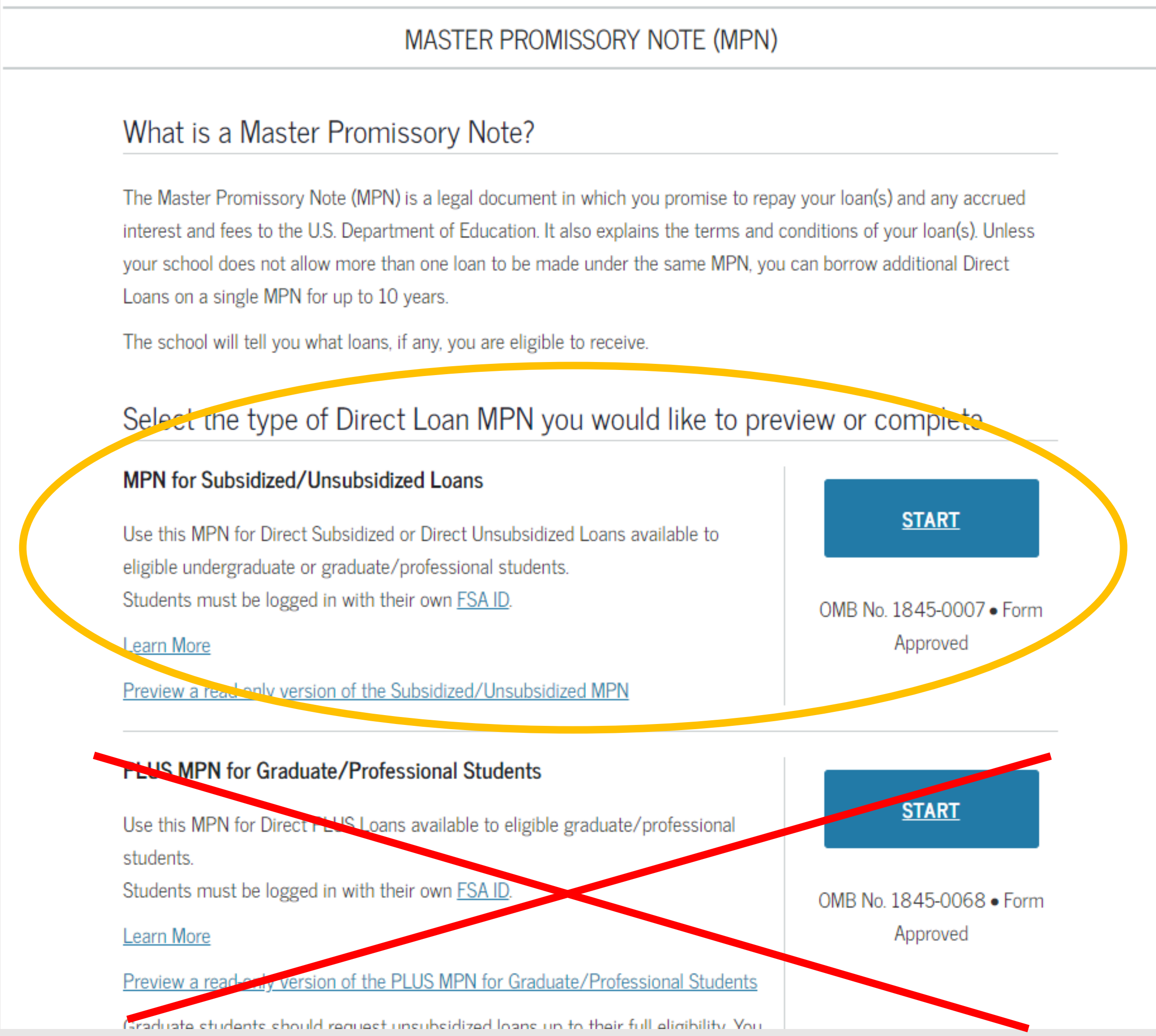
- At the bottom of the page use the link “Complete a Master Promissory Note”.



- NEXT -- Signing your Master Promissory Note:

Remember you are an undergrad, you must sign an MPN for Subsidized/ Unsubsidized Loans.

NOT Plus, or Grad loans.



MASTER PROMISSORY NOTE (MPN)

What is a Master Promissory Note?

The Master Promissory Note (MPN) is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the U.S. Department of Education. It also explains the terms and conditions of your loan(s). Unless your school does not allow more than one loan to be made under the same MPN, you can borrow additional Direct Loans on a single MPN for up to 10 years.

The school will tell you what loans, if any, you are eligible to receive.

Select the type of Direct Loan MPN you would like to preview or complete

MPN for Subsidized/Unsubsidized Loans

Use this MPN for Direct Subsidized or Direct Unsubsidized Loans available to eligible undergraduate or graduate/professional students.
Students must be logged in with their own FSA ID.

Learn More

Preview a read-only version of the Subsidized/Unsubsidized MPN

START

OMB No. 1845-0007 • Form Approved

~~**PLUS MPN for Graduate/Professional Students**~~

~~Use this MPN for Direct PLUS Loans available to eligible graduate/professional students.~~
~~Students must be logged in with their own FSA ID.~~

~~Learn More~~

~~Preview a read-only version of the PLUS MPN for Graduate/Professional Students~~

~~Graduate students should request unsubsidized loans up to their full eligibility. You~~

~~START~~

~~OMB No. 1845-0068 • Form Approved~~

Again, choose ASHLAND UNIVERSITY as the school to receive this information. Also, follow your progress using the bar at the top of the screen.

Provide the names and contact information for 2 people who must live at **different addresses**.

- Before your EMPN is complete you will be given a chance to review your information.
  You're not done yet.
  You must sign and submit.

Sign & Submit

☐ *I have reviewed the information about me on the Master Promissory Note and acknowledge that it is true and correct. I have read, understand, and agree to the terms and conditions of the MPN, including the Borrower Request, Certifications, Authorizations, and Understandings and the accompanying Borrower's Rights and Responsibilities Statement. I agree to repay in full all loans made under this MPN according to the terms and conditions of the MPN.*
(Your response will be recorded and made part of your completed MPN.)

First Name: *

Middle Initial:

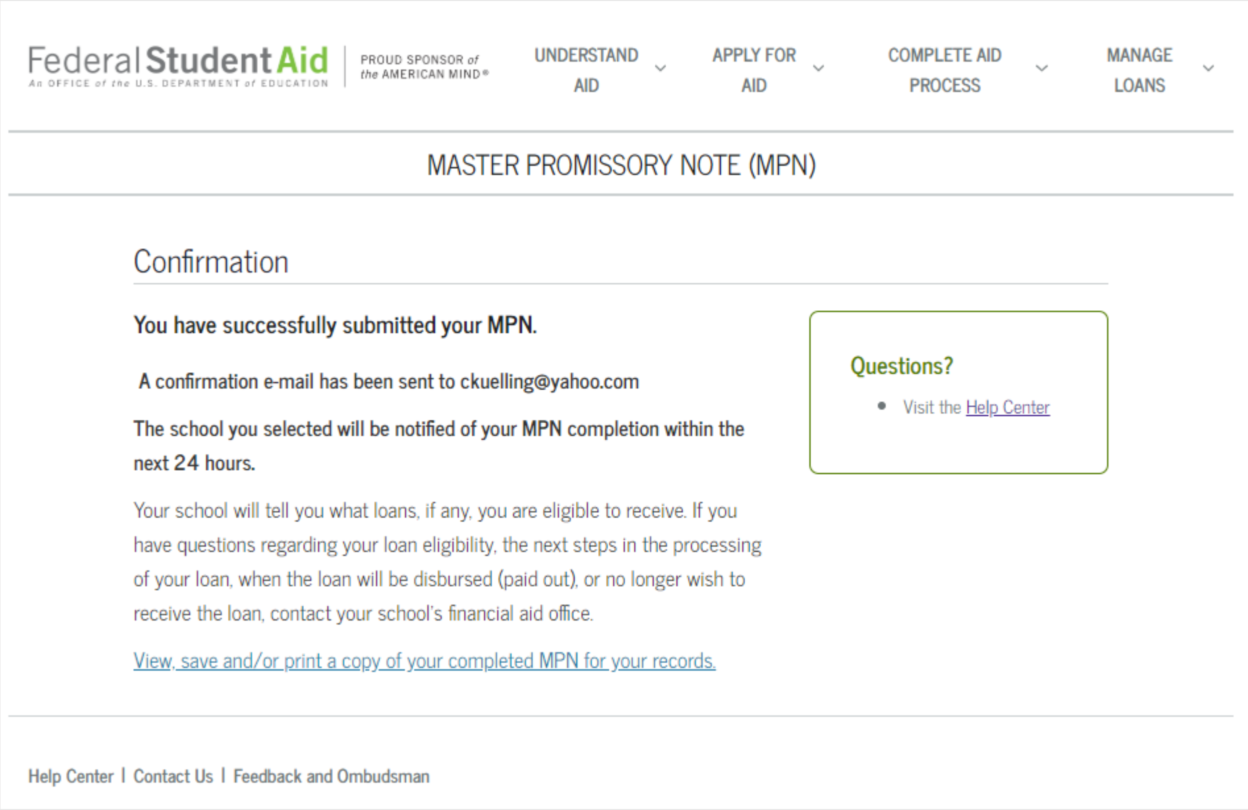
Last Name: *

The time and date of your signature will be recorded and be made part of your completed MPN.

Exit

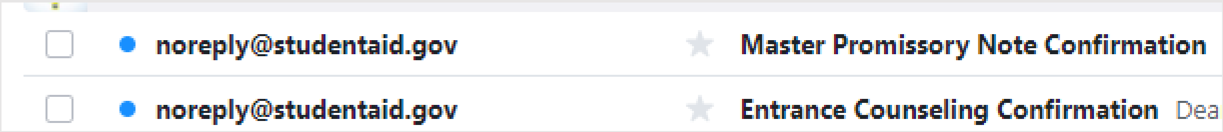
SIGN & SUBMIT

- Be certain you receive the Confirmation screen.
You may also view, save, or print your document.



Check Your Email

- And, finally—you should receive confirmation emails for each process.
Check your e-mail spam folder for them if you don't.



You Did It!

Student Loan Exit Counseling

You must complete exit counseling when you leave school or drop below half-time enrollment. The purpose of exit counseling is to ensure you understand your student loan obligations and are prepared for repayment.

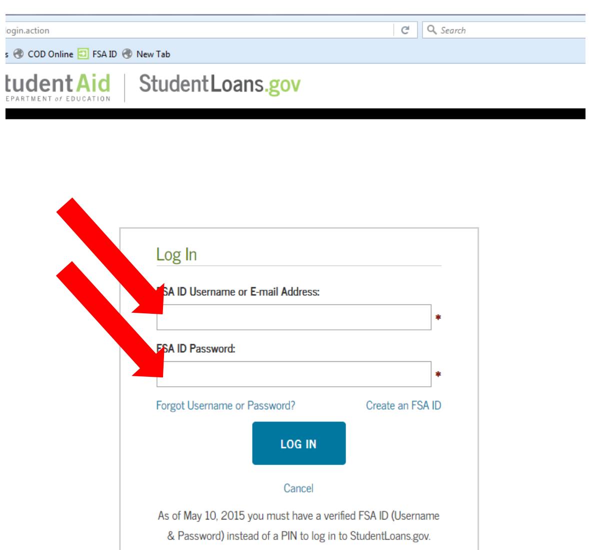
You'll learn about what your federal student loan payments will look like after school. We'll recommend a repayment strategy that best suits your future plans and goals.

Exit Counseling Tutorial

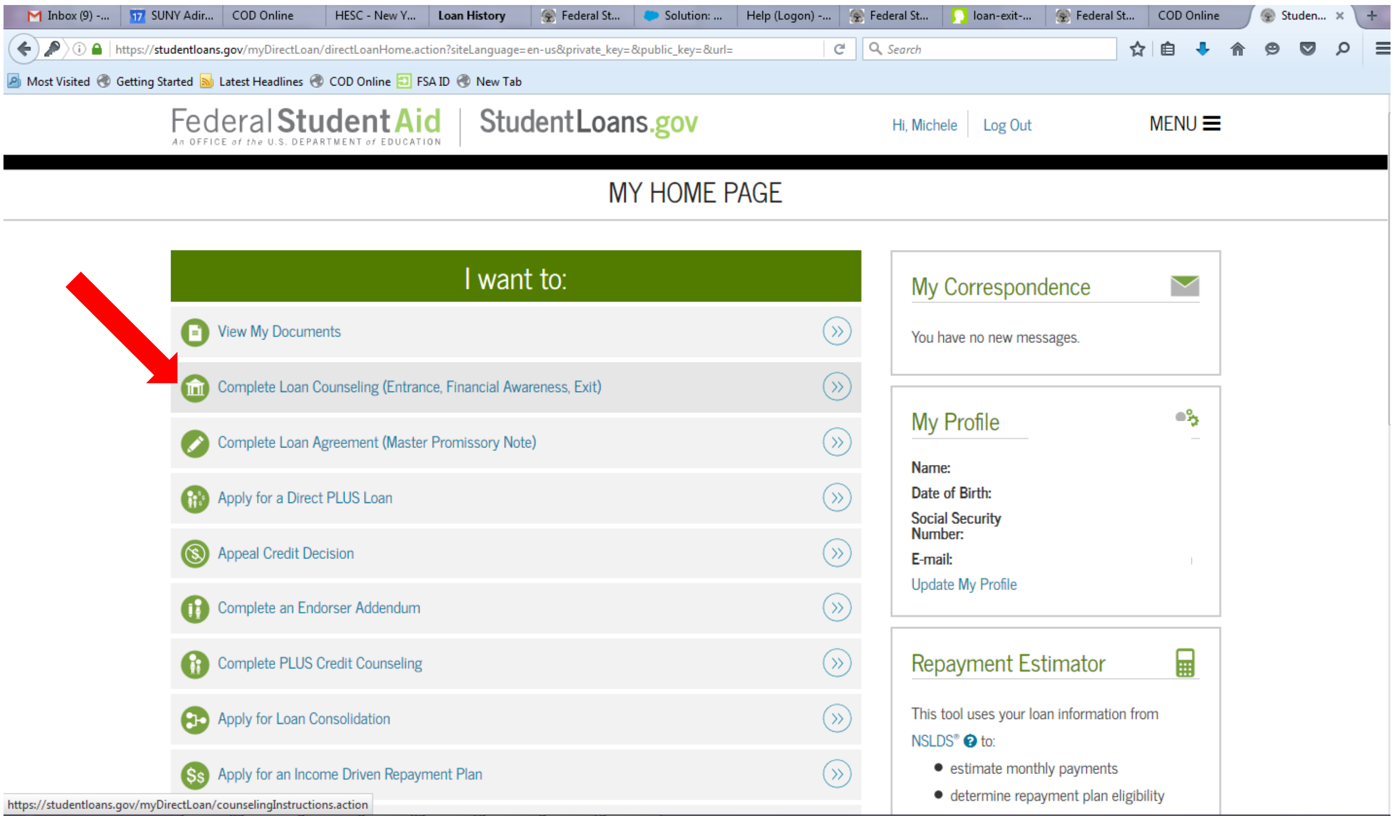
Exit counseling is mandatory for federal student loan borrowers who graduate, withdraw, or drop below half-time (6 credits) in their enrollment. The purpose of this is to help you understand your rights and responsibilities as a student loan borrowers now that you will be close to starting repayment. Please note that this is required even if you are transferring to another institution or intend to resume your studies at a later date.

1) Login to your account at www.studentloans.gov.

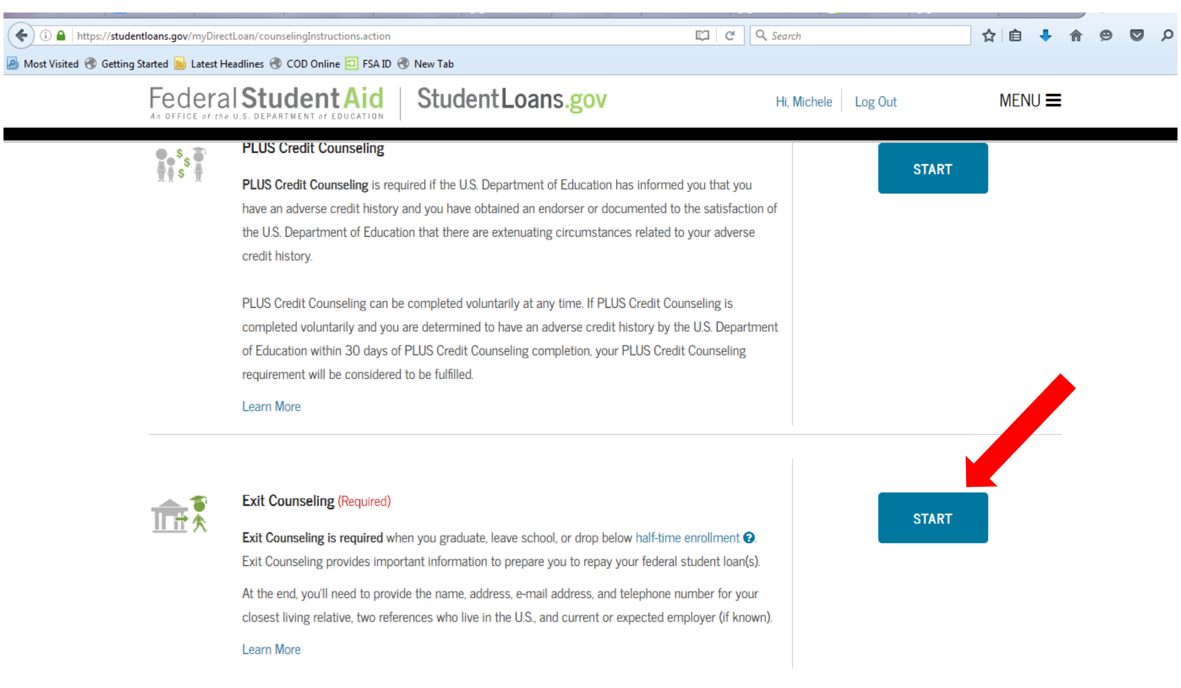
2) Clicking on 'Log In' will bring you to the login screen, where you will be asked to provide your FSA ID or your verified email address as well as your FSA ID password.



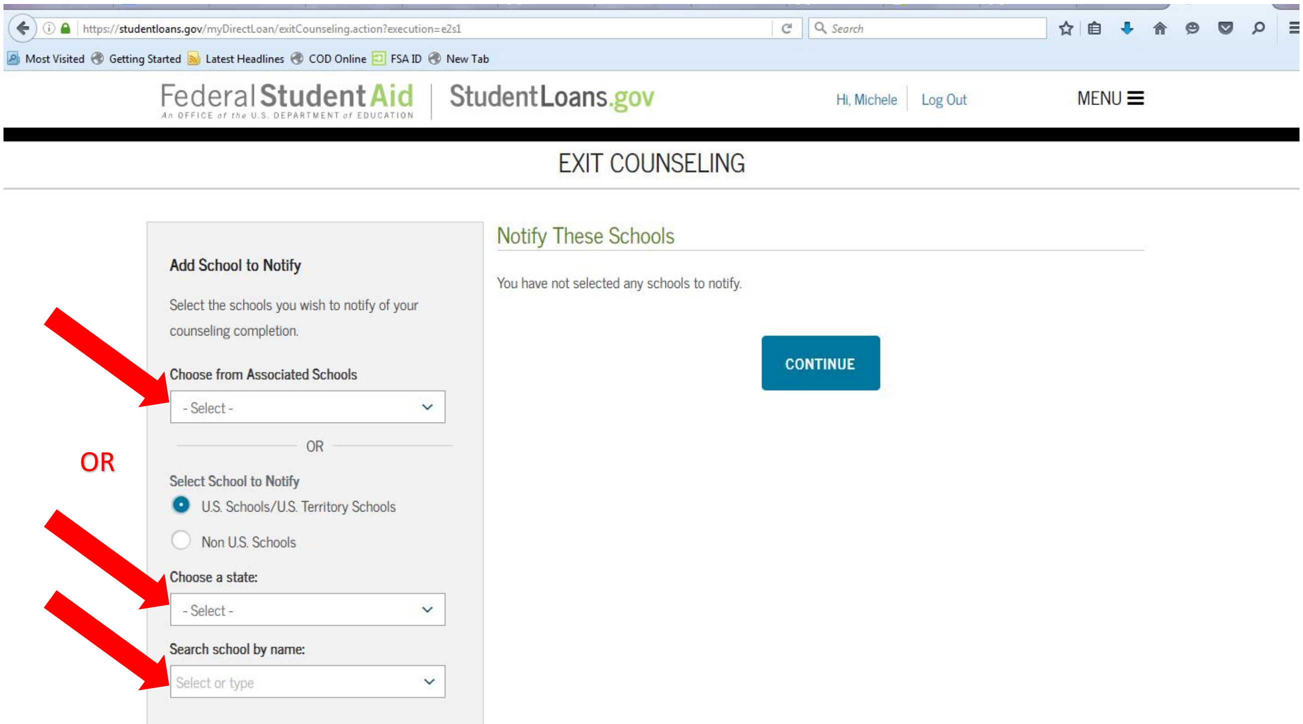
3) Once logged in, select 'Complete Loan Counseling (Entrance, Financial Awareness, Exit) from the list of things to do.



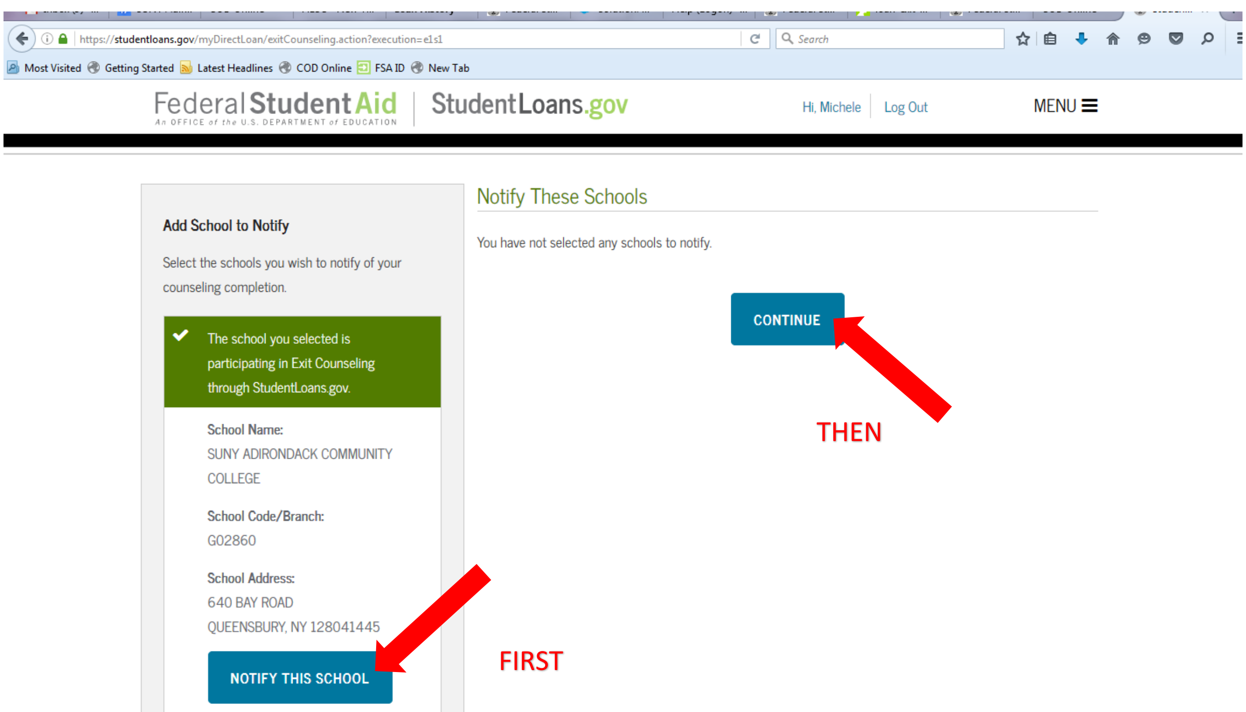
4) Scroll to the bottom of the page that opens to find 'Exit Counseling'. To the right you will see a "Start" button. Click on this to begin your exit counseling.



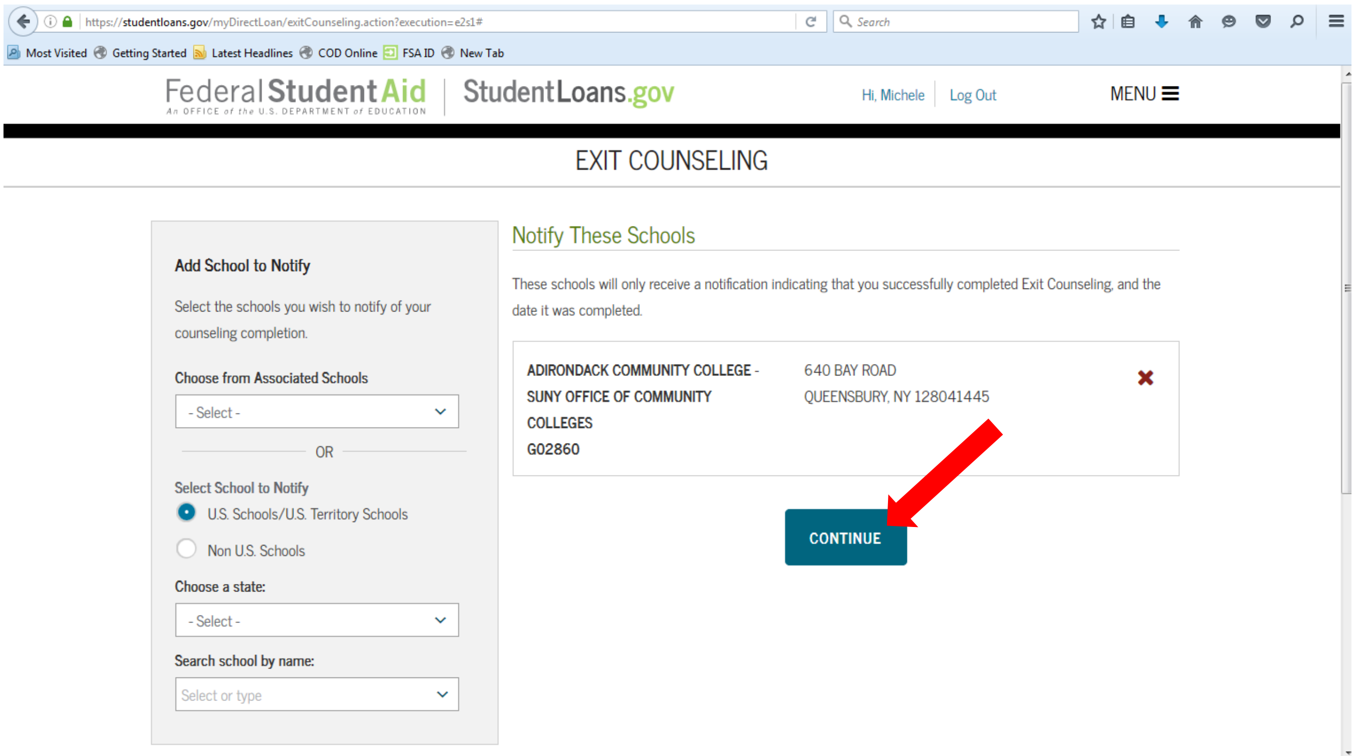
5) To notify SUNY Adirondack that you are completing your exit counseling please select us from the list shown. If it doesn't appear in your 'Associated Schools' dropdown, simply select "New York" for the state and then locate "SUNY Adirondack Community College" from the School by Name list.



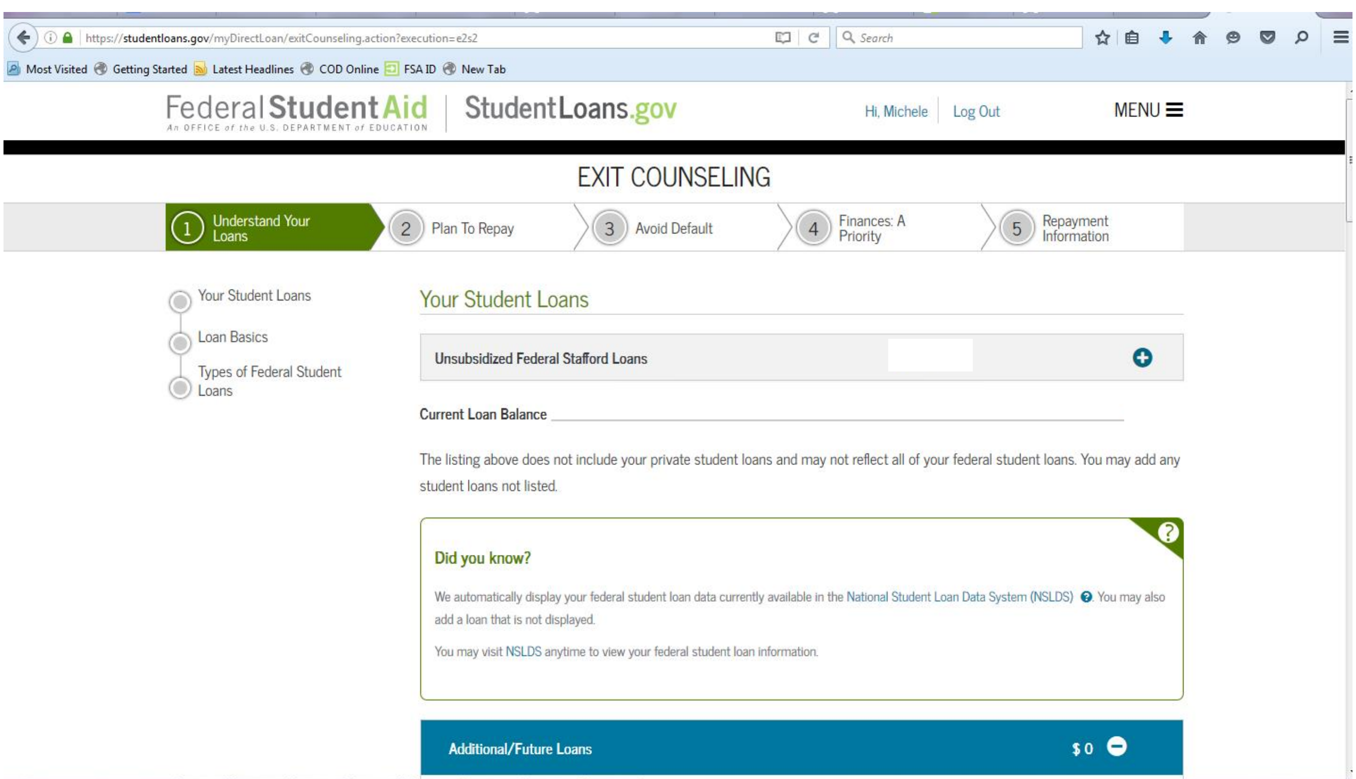
6) Once SUNY ACC appears in the window, click 'Notify this School', then click 'Continue' button.



7) Once SUNY Adirondack is confirmed to be notified click 'Continue' button.

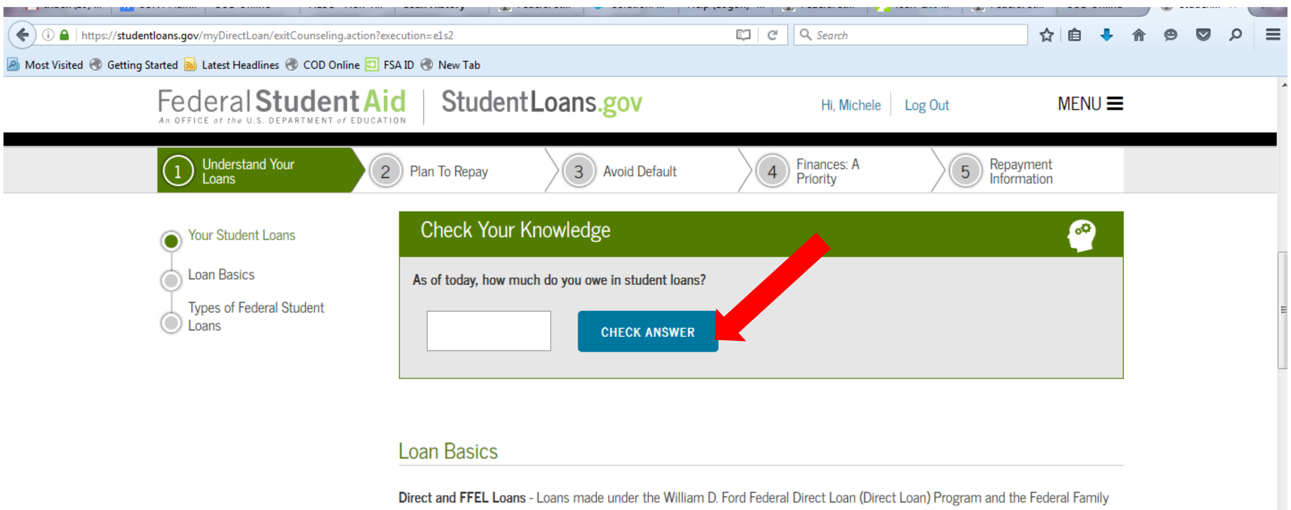


8) You are now ready to begin your exit counseling. This will take approximately 15 minutes to complete from start to finish.

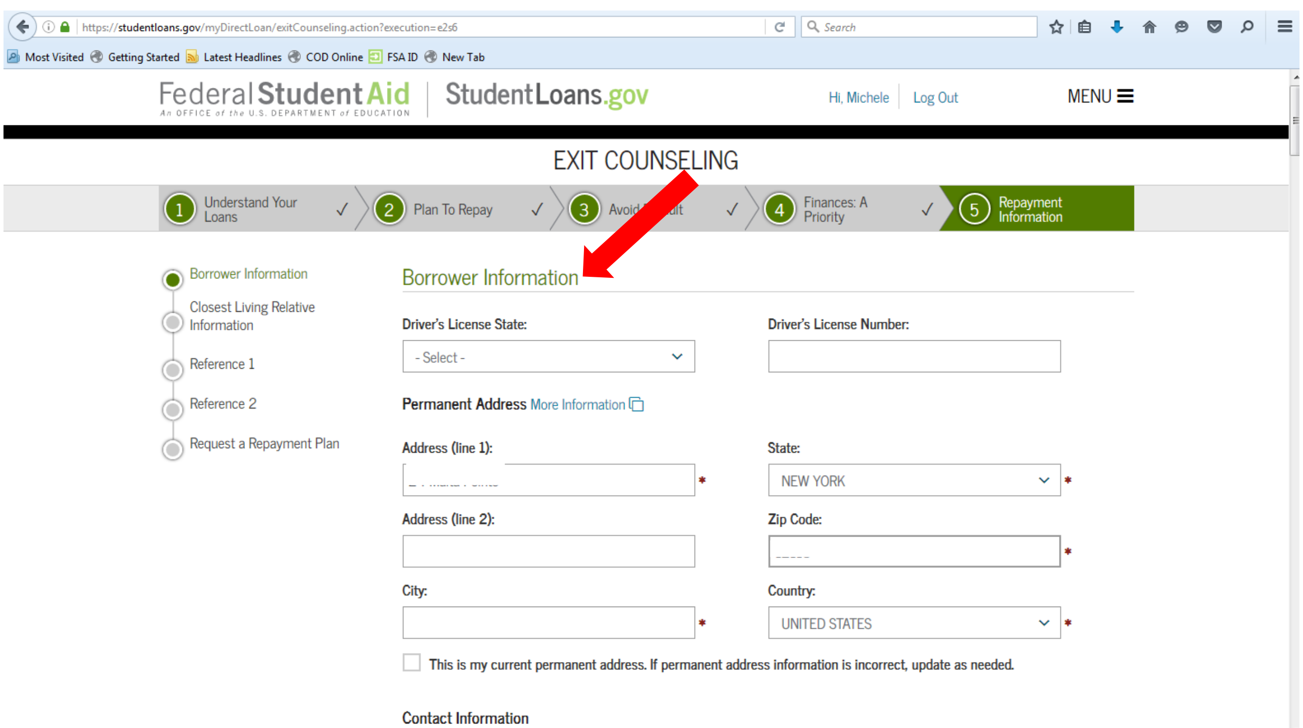


9) There are 5 sections to complete this counseling –
   (1) Understand Your Loans
   (2) Plans To Repay
   (3) Avoid Default
   (4) Finances: A Priority
   (5) Repayment Information

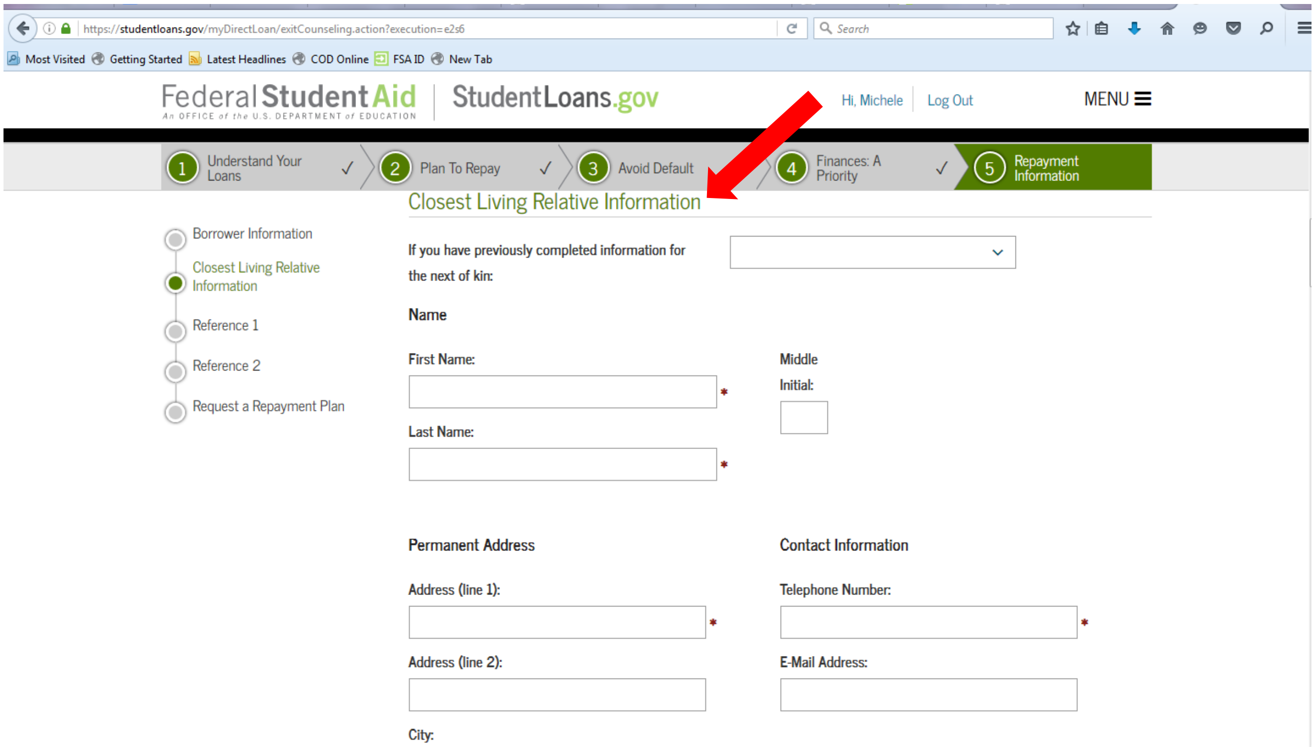
   Under each section you will find questions that require answer before you can move on. The questions that require answer are labeled ‘Check Your Knowledge’. Click ‘Check Answer’ button to see if you are correct.

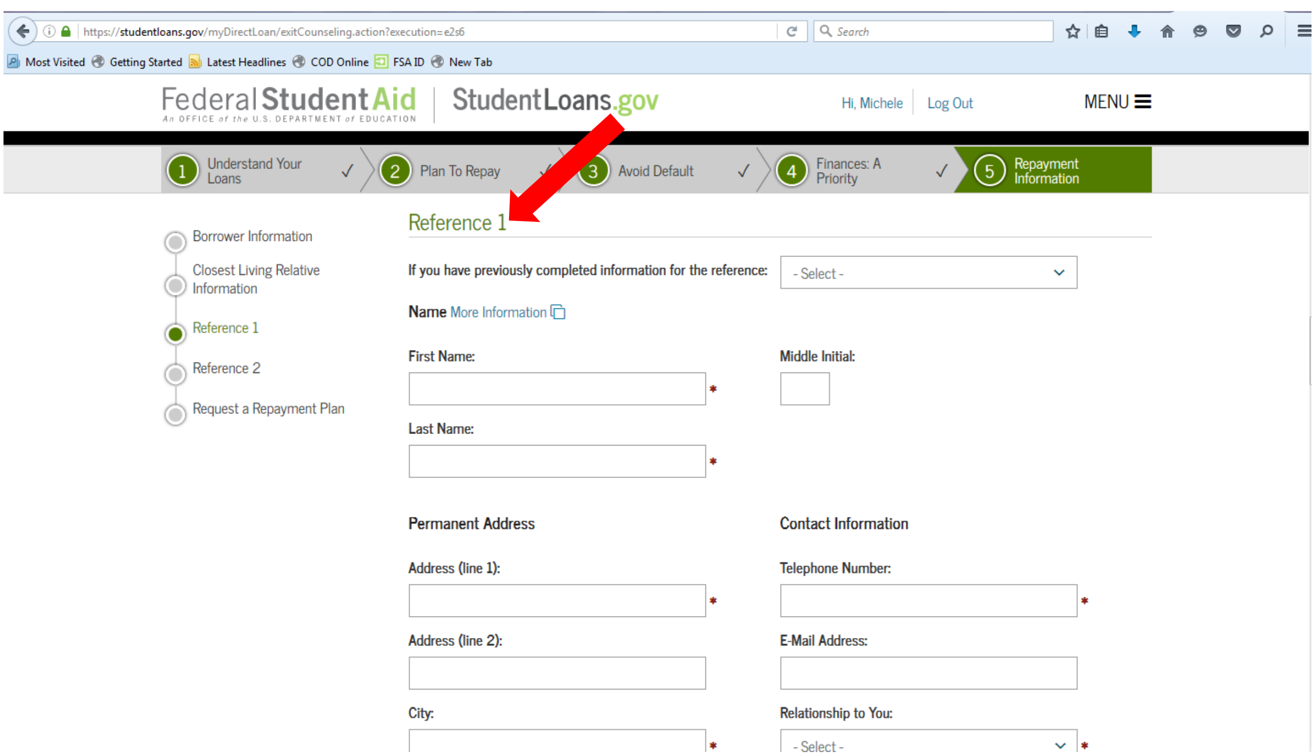


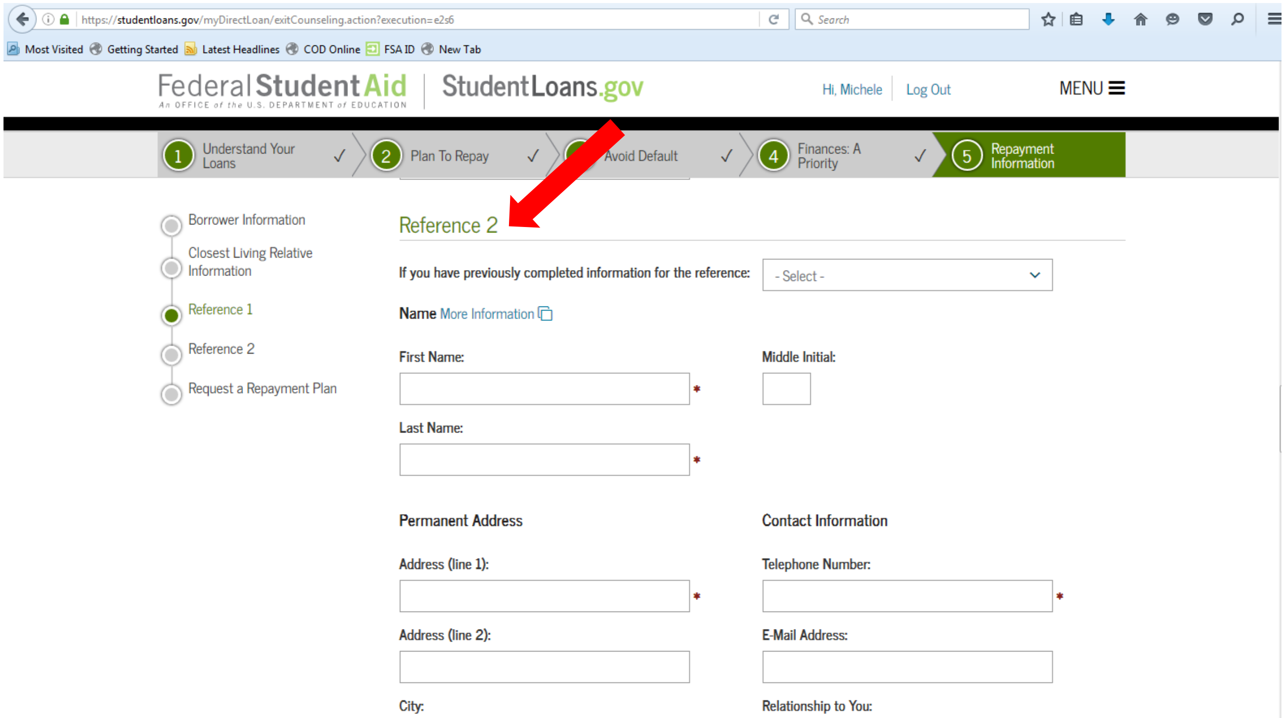
10) Once you complete sections 1 through 4 section 5 will ask you for personal information.



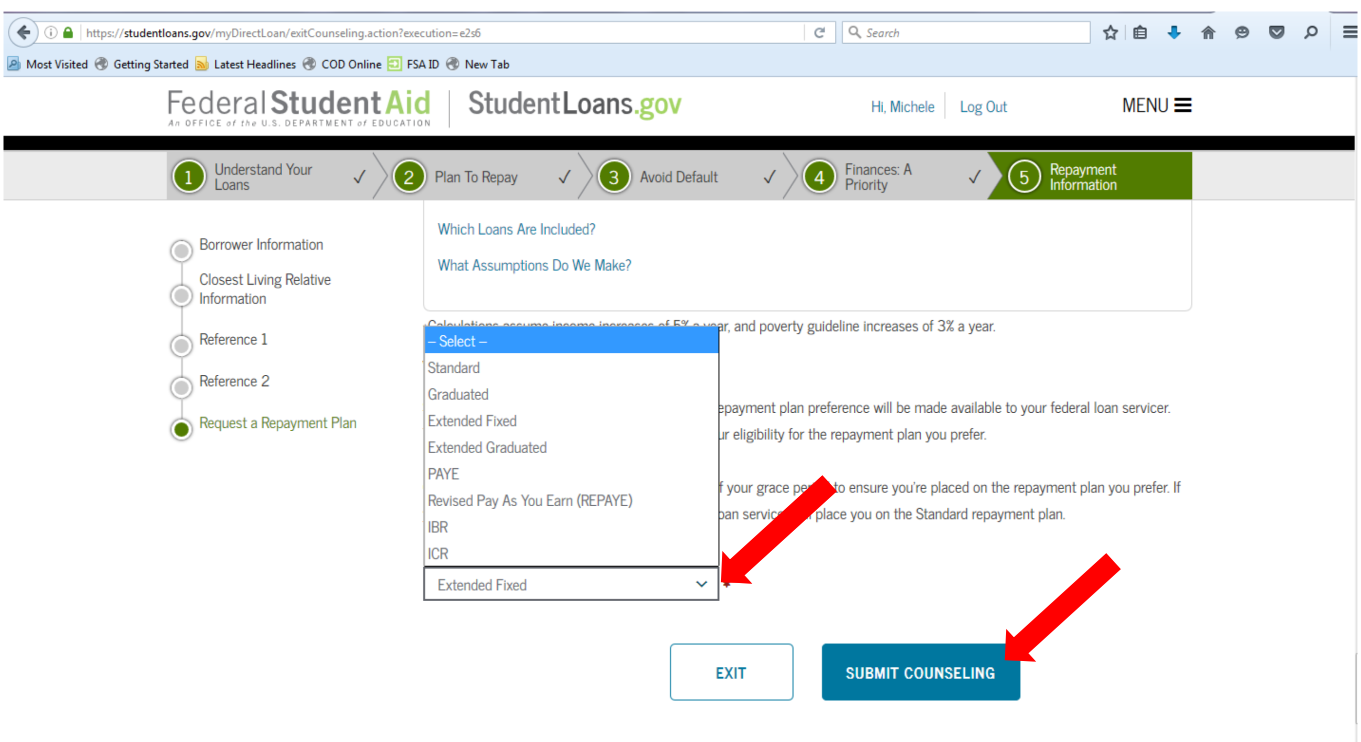
11) You will also be asked to provide information about your closest living relative and 2 references. Note that they are not considered cosigners and are not responsible in any way for your loans, but they may be contacted for forwarding information should you move and the Department of Education cannot reach you.







12) Select your preferred repayment plan. You are encouraged to review the different plans as they are calculated for you on this screen before making your selection. Once your plan is selected click 'Submit Counseling' button. Congratulations, you've completed exit counseling!



The Standard Repayment Plan is the basic repayment plan for loans from the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program.

Payments are fixed and made for up to 10 years (between 10 and 30 years for consolidation loans).

This repayment plan saves you money over time because your monthly payments may be slightly higher than payments made under other plans, but you'll pay off your loan in the shortest time. For this reason, you will pay the least amount of interest over the life of your loan.

When it comes time to repay your loans, you have the option to choose a repayment plan. If you don't choose a different repayment plan, your loan servicer, the company that handles the billing and other services on your federal education loan, will place you on the Standard Repayment Plan.

Eligible Federal Loans

The following loans from the Direct Loan Program and the FFEL Program are eligible for the Standard Repayment Plan:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans
- Direct Consolidation Loans
- Subsidized Federal Stafford Loans
- Unsubsidized Federal Stafford Loans
- FFEL PLUS Loans
- FFEL Consolidation Loans

Monthly Payments for Federal Education Loans Except Consolidation Loans

Under this plan, your monthly payments are a fixed amount of at least $50 each month and made for up to 10 years for all loan types except Direct Consolidation Loans and FFEL Consolidation Loans.

Monthly Payments for Consolidation Loans

Under this plan, your monthly payments are

- a fixed amount of at least $50 each month and
- made for a period of between 10 and 30 years for Direct Consolidation Loans and FFEL Consolidation Loans.

If you have a Direct Consolidation Loan or FFEL Consolidation Loan, the length of your repayment period will depend on the amount of your total education loan indebtedness. This total education loan indebtedness includes the amount of your consolidation loan and your other student loan debt. Other student loan debt includes any federal student loans that are not included in the consolidation loan, as well as private education loans that are not eligible for consolidation.

The maximum amount of other student loan debt that may be considered in determining your repayment period may not exceed the loan amount you are consolidating.

To include other student loan debt in the determination of the repayment period for your Direct Consolidation Loan, be sure to list those loans on your consolidation application in the section for listing loans that you do not want to consolidate, but want considered in the determination of your repayment period.

The chart below shows the maximum repayment period for a Direct Consolidation Loan or FFEL Consolidation Loan under the Standard Repayment Plan depending on total education loan indebtedness.

If Your Total Education Loan Indebtedness is...

Total Loan Debt	Repayment Period
$0-$7,500	10 years
$7,500-$10,000	12 years
$10,000-$20,000	15 years
$20,000-$40,000	20 years
$40,000-$60,000	25 years
$60,000 or more	30 years

Using *Loan Simulator* to Estimate Your Eligibility and Payment Amount Under the Graduated Repayment Plan

Your loan servicer can help you choose a loan repayment plan that's best for you. Before you contact your loan servicer to discuss repayment plans, use *Loan Simulator* to get an early look at what repayment plans you may be eligible for and to receive a comparison of estimated monthly payment amounts for all federal student loan repayment plans. This comparison is important because the Standard Plan may not provide you with the lowest payment amount based on your individual circumstances. You may find that your payment will be lower under another repayment plan

The Graduated Repayment Plan

Starts with lower payments that increase every two years. Payments are made for up to 10 years (between 10 and 30 years for consolidation loans).
If your income is low now, but you expect it to increase steadily over time, this plan may be right for you.

Eligible Federal Loans

The following loans from the William D. Ford Federal Direct Loan (Direct Loan) Program and the Federal Family Education Loan (FFEL) Program are eligible for the Graduated Repayment Plan:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans
- Direct Consolidation Loans
- Subsidized Federal Stafford Loans
- Unsubsidized Federal Stafford Loans
- FFEL PLUS Loans
- FFEL Consolidation Loans

Monthly Payments for Federal Education Loans Except Consolidation Loans

Under this plan, your monthly payments

- start out low and increase every two years,
- are made for up to 10 years for all loan types except Direct Consolidation Loans and FFEL Consolidation Loans,
- will never be less than the amount of interest that accrues between your payments, and
- won't be more than three times greater than any other payment.

Monthly Payments for Consolidation Loans

Under this plan, your monthly payments

- start out low and increase every two years,

- are made for a period of between 10 and 30 years for Direct Consolidation Loans and FFEL Consolidation Loans,
- will never be less than the amount of interest that accrues between your payments, and
- won't be more than three times greater than any other payment.

If you have a Direct Consolidation Loan or FFEL Consolidation Loan, the length of your repayment period will depend on the amount of your total education loan indebtedness. This total education loan indebtedness includes the amount of your consolidation loan and your other student loan debt. Other student loan debt includes any federal student loans that are not included in the consolidation loan, as well as private education loans that are not eligible for consolidation. The maximum amount of other student loan debt that may be considered in determining your repayment period may not exceed the loan amount you are consolidating.

To include other student loan debt in the determination of the repayment period for your Direct Consolidation Loan, be sure to list those loans on your consolidation application in the section for listing loans that you do not want to consolidate, but want considered in the determination of your repayment period.

The chart below shows the maximum repayment period for a Direct Consolidation Loan or FFEL Consolidation Loan under the Graduated Repayment Plan depending on total education loan indebtedness.

If your Total Education Loan Indebtedness is…		…your Repayment Period will be…
At Least	**Less Than**	
	$7,500	10 years
$ 7,500	$10,000	12 years
$10,000	$20,000	15 years
$20,000	$40,000	20 years
$40,000	$60,000	25 years
$60,000		30 years

Using *Loan Simulator* to Estimate Your Eligibility and Payment Amount Under the Graduated Repayment Plan

Your loan servicer, the company that handles the billing and other services on your federal student loan, can help you choose a loan repayment plan that's best for you. Before you contact your loan servicer to discuss repayment plans, use our *Loan Simulator* to get an early look at what repayment plans you may be eligible for and to receive a comparison of estimated monthly payment amounts for all federal student loan repayment plans. This comparison is important because the Graduated Plan may not provide you with the lowest payment amount based on your individual circumstances. You may find that your payment will be lower under another repayment plan.

The Extended Repayment Plan

Payments are made for up to 25 years.

If you need to make lower monthly payments over a longer period of time than under plans such as the Standard Repayment Plan, then the Extended Repayment Plan may be right for you.

Eligible Federal Loans

The following loans from the William D. Ford Federal Direct Loan (Direct Loan) Program and the Federal Family Education Loan (FFEL) Program are eligible for the Extended Repayment Plan:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans
- Direct Consolidation Loans
- Subsidized Federal Stafford Loans
- Unsubsidized Federal Stafford Loans
- FFEL PLUS Loans
- FFEL Consolidation Loans

Eligibility for the Extended Repayment Plan

If you're a Direct Loan borrower, you must have had no outstanding balance on a Direct Loan as of October 7, 1998, or on the date you obtained a Direct Loan after October 7, 1998, and you must have more than $30,000 in outstanding Direct Loans.

If you're a FFEL borrower, to qualify for this plan you must have had no outstanding balance on a FFEL Program loan as of October 7, 1998, or on the date you obtained a FFEL Program loan after October 7, 1998, and you must have more than $30,000 in outstanding FFEL Program loans.

For example, if you have $35,000 in outstanding FFEL Program loans and $10,000 in outstanding Direct Loans, you can choose the Extended Repayment Plan for your FFEL Program loans, but not for your Direct Loans.

Monthly Payments

Under this plan, your monthly payments are

- a fixed or graduated amount,
- made for up to 25 years, and

- generally lower than payments made under the Standard and Graduated Repayment Plans.

Using Loan Simulator to Estimate Your Eligibility and Payment Amount Under the Extended Repayment Plan

Your loan servicer, the company that handles the billing and other services on your federal student loan, can help you choose a loan repayment plan that's best for you. Before you contact your loan servicer to discuss repayment plans, you can use *Loan Simulator* to get an early look at what plans you may be eligible for and to receive a comparison of estimated monthly payment amounts for all federal student loan repayment plans. This comparison is important because the Extended Plan may not provide you with the lowest payment amount based on your individual circumstances. You may find that your payment will be lower under another repayment plan.

The Income-Sensitive Repayment Plan

The Income-Sensitive Repayment Plan is available to low-income borrowers who have Federal Family Education Loan (FFEL) Program loans.

The payments under this plan increase or decrease based on your annual income.

If you need to make lower payments on your FFEL Program loans, this plan may be for you.

Eligible FFEL Program Loans

The following loans are eligible for the Income-Sensitive Repayment Plan:

- Subsidized Federal Stafford Loans
- Unsubsidized Federal Stafford Loans
- FFEL PLUS Loans
- FFEL Consolidation Loans

Loans That Are Not Eligible

- William D. Ford Federal Direct Loans

Monthly Payments

Under this plan, your monthly payments

- increase or decrease based on your annual income and
- are made for a maximum period of 10 years.

Get More Information About This Plan

- If you have FFEL Program loans owned by the U.S. Department of Education (ED), contact your loan servicer.
- If you have FFEL Program loans that are not owned by ED, contact your lender.

Visit "My Federal Student Aid" to view information about all of the federal student loans you have received and to find contact information for the loan servicer or lender for your loans.

If your federal student loan payments are high compared to your income, you may want to repay your loans under an income-driven repayment plan

Most federal student loans are eligible for at least one income-driven repayment plan. If your income is low enough, your payment could be as low as $0 per month.

An income-driven repayment plan sets your monthly student loan payment at an amount that is intended to be affordable based on your income and family size. We offer four income-driven repayment plans:

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

If you'd like to repay your federal student loans under an income-driven plan, you need to fill out an application.

How is my monthly payment amount calculated under an income-driven repayment plan?

Generally, your payment amount under an income-driven repayment plan is a percentage of your discretionary income. The percentage is different depending on the plan. The chart below shows how payment amounts are determined under each income-driven plan. Depending on your income and family size, you may have no monthly payment at all.

SAVE Plan
Generally 10 percent of your discretionary income.

PAYE Plan

Generally 10 percent of your discretionary income, but never more than the 10-year Standard Repayment Plan amount

IBR Plan

Generally 10 percent of your discretionary income if you're a new borrower on or after July 1, 2014*, but never more than the 10-year Standard Repayment Plan amount

Generally 15 percent of your discretionary income if you're not a new borrower on or after July 1, 2014, but never more than the 10-year Standard Repayment Plan amount

ICR Plan

The lesser of the following:

- 20 percent of your discretionary income or
- what you would pay on a repayment plan with a fixed payment over the course of 12 years, adjusted according to your income

*For the IBR Plan, you're considered a new borrower on or after July 1, 2014, if you had no outstanding balance on a William D. Ford Federal Direct Loan (Direct Loan) Program loan or Federal Family Education Loan (FFEL) Program loan when you received a Direct Loan on or after July 1, 2014. (Because no new FFEL Program loans have been made since June 30, 2010, only Direct Loan borrowers can qualify as new borrowers on or after July 1, 2014.)

How do I estimate my payment amount?

Use *Loan Simulator*. *Loan Simulator* provides a comparison of estimated monthly payment amounts for all federal student loan repayment plans, including income-driven plans. This comparison is important because the income-driven plans may not provide you with the lowest payment amount based on your individual circumstances. Your payment may be lower under another repayment plan.

How long will I be in repayment under each plan?

Income-driven repayment plans have different repayment periods.

SAVE Plan

20 years if all loans you’re repaying under the plan were received for undergraduate study

25 years if any loans you’re repaying under the plan were received for graduate or professional study

PAYE Plan

20 years

IBR Plan

20 years if you’re a new borrower on or after July 1, 2014

25 years if you’re not a new borrower on or after July 1, 2014

ICR Plan

25 years

Under all four plans, any remaining loan balance is forgiven if your federal student loans aren't fully repaid at the end of the repayment period. For any income-driven repayment plan, periods of economic hardship deferment, periods of repayment under certain other repayment plans, and periods when your required payment is zero will count toward your total repayment period. Whether you will have a balance left to be forgiven at the end of your repayment period depends on a number of factors, such as how quickly your income rises and how large your income is relative to your debt. Because of these factors, you may fully repay your loan before the end of your repayment period. Your loan servicer will track your qualifying monthly payments and years of repayment and will notify you when you are getting close to the point when you would qualify for forgiveness of any remaining loan balance.

If you’re making payments under an income-driven repayment plan and also working toward loan forgiveness under the Public Service Loan Forgiveness (PSLF) Program, you may qualify for forgiveness of any remaining loan balance after you've made 10 years of qualifying payments, instead of 20 or 25 years. Qualifying payments for the PSLF Program include payments made under any of the income-driven repayment plans.

SAVE Plan

Note: The SAVE Plan is the new name for the Revised Pay As You Earn (REPAYE) Repayment Plan.

Any borrower with eligible federal student loans can make payments under this plan.

PAYE and IBR Plans

Each of these plans has an eligibility requirement you must meet to qualify for the plan. To qualify, the payment you would be required to make under the PAYE or IBR plan (based on your income and family size) must be less than what you would pay under the Standard Repayment Plan with a 10-year repayment period.

- If the amount you would have to pay under the PAYE or IBR plan (based on your income and family size) is more than what you would have to pay under the 10-year Standard Repayment Plan, you wouldn't benefit from having your monthly payment amount based on your income, so you don't qualify.
- Generally, you'll meet this requirement if your federal student loan debt is higher than your annual discretionary income or represents a significant portion of your annual income.

In addition to meeting the requirement described above, to qualify for the PAYE Plan you must also be a new borrower. This means that you must have had no outstanding balance on a Direct Loan or FFEL Program loan when you received a Direct Loan or FFEL Program loan on or after Oct. 1, 2007, and you must have received a disbursement of a Direct Loan on or after Oct. 1, 2011.

ICR Plan

Any borrower with eligible federal student loans can make payments under this plan.

This plan is the only available income-driven repayment option for parent PLUS loan borrowers. Although PLUS loans made to parents can't be repaid under any of the income-driven repayment plans (including the ICR Plan), parent borrowers may consolidate their Direct PLUS Loans or Federal PLUS Loans into a Direct Consolidation Loan and then repay the new consolidation loan under the ICR Plan (though not under any other income-driven plan).

Will I always pay the same amount each month under an income-driven repayment plan?

No. Under all of the income-driven repayment plans, your required monthly payment amount may increase or decrease if your income or family size changes from year to year. Each year you must "recertify" your income and family size. This means that you must provide your loan servicer with updated income and family size information so that your servicer can recalculate your payment. You must do this even if there has been no change in your income or family size.

Your loan servicer will send you a reminder notice when it's time for you to recertify. To recertify, you must submit another income-driven repayment plan application. On the application, you'll be asked to select the reason you're submitting the application. Respond that you are submitting documentation of your income for the annual recertification of your payment amount.

Although you're required to recertify your income and family size only once each year, if your income or family size changes significantly before your annual certification date (for example, due to loss of employment), you can submit updated information and ask your servicer to recalculate your payment amount at any time. To do this, submit a new application for an income-driven repayment plan. When asked to select the reason for submitting the application, respond that you are submitting documentation early because you want your servicer to recalculate your payment immediately.

You're not required to report changes in your financial circumstances before the annual date when you must provide updated income information. You can choose to wait until your loan servicer tells you that you need to provide updated income information at the normally scheduled time. If you choose to wait, your current required monthly payment amount will remain the same until you provide the updated income information.

PAYE and IBR Plans

Under these plans, your monthly payment amount will be based on your income and family size when you first begin making payments, and at any time when your income is low enough that your calculated monthly payment amount would be less than the amount you would have to pay under the 10-year Standard Repayment Plan.

If your income ever increases to the point that your calculated monthly payment amount would be more than what you would have to pay under the 10-year Standard Repayment Plan, you'll remain on the PAYE or IBR plan, but your payment will no longer be based on your income. Instead, your required monthly payment will be the amount you would pay under the 10-year Standard Repayment Plan, based on the loan amount you owed when you first began repayment under the PAYE or IBR plan. Even if your income continues to increase, your monthly payment will never be more than the 10-year Standard Repayment Plan amount.

During any period when your monthly payment is not based on your income, you still have the option of recertifying your income and family size. If you recertify and your income or family size changes so that your calculated monthly payment would once again be less than the 10-year Standard Repayment Plan amount, your servicer will recalculate your payment and you'll return to making payments that are based on your income.

SAVE and ICR Plans

Under the SAVE and ICR Plans, your payment is always based on your income and family size, regardless of any changes in your income. This means that if your income increases over time, in some cases your payment may be higher than the amount you would have to pay under the 10-year Standard Repayment Plan.

What will happen if I don't recertify my income and family size by the annual deadline?

It's important for you to recertify your income and family size by the specified annual deadline. If you don't recertify your income by the deadline, the consequences vary depending on the plan.

- Under the SAVE Plan, if you don't recertify your income by the annual deadline, you'll be removed from the SAVE Plan and placed on an alternative repayment plan. Under this alternative repayment plan, your required monthly payment is not based on your income. Instead, your payment will be the amount necessary to repay your loan in full by the earlier of (a) 10 years from the date you begin repaying under the alternative repayment plan, or (b) the ending date of your 20- or 25-year SAVE Plan repayment period. You may choose to leave the alternative

repayment plan and repay under any other repayment plan for which you are eligible.
- Under the PAYE Plan, the IBR Plan, or the ICR Plan, if you don't recertify your income by the annual deadline, you'll remain on the same income-driven repayment plan, but your monthly payment will no longer be based on your income. Instead, your required monthly payment amount will be the amount you would pay under a Standard Repayment Plan with a 10-year repayment period, based on the loan amount you owed when you initially entered the income-driven repayment plan. You can return to making payments based on income if you provide your servicer with updated income information, and if your updated income still qualifies you to make payments based on income.

In addition to the consequences described above, **if you don't recertify your income by the annual deadline under the IBR plan, any unpaid interest will be capitalized** (added to the principal balance of your loans). This will increase the total cost of your loans over time, because you will then pay interest on the increased loan principal balance.

Under all of the income-driven repayment plans, if you don't recertify your family size each year, you'll remain on the same repayment plan, but your servicer will assume that you have a family size of one. If your actual family size is larger, but your servicer assumes a family size of one because you didn't recertify your family size, this could result in an increased monthly payment amount or (for the PAYE and IBR plans) loss of eligibility to make payments based on income.

What types of federal student loans can I repay under an income-driven repayment plan?

The chart below shows the types of federal student loans that you can repay under each of the income-driven repayment plans.

SAVE Plan

ELIGIBLE

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans made to graduate or professional students

- Direct Consolidation Loans that did not repay any PLUS loans made to parents

ELIGIBLE IF CONSOLIDATED*

- Subsidized Federal Stafford Loans (from the FFEL Program)
- Unsubsidized Federal Stafford Loans (from the FFEL Program)
- FFEL PLUS Loans made to graduate or professional students
- FFEL Consolidation Loans that did not repay any PLUS loans made to parents
- Federal Perkins Loans

NOT ELIGIBLE

- Direct PLUS Loans made to parents
- Direct Consolidation Loans that repaid PLUS loans made to parents
- FFEL PLUS Loans made to parents
- FFEL Consolidation Loans that repaid PLUS loans made to parents

PAYE Plan

ELIGIBLE

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans made to graduate or professional students
- Direct Consolidation Loans that did not repay any PLUS loans made to parents

ELIGIBLE IF CONSOLIDATED*

- Subsidized Federal Stafford Loans (from the FFEL Program)
- Unsubsidized Federal Stafford Loans (from the FFEL Program)
- FFEL PLUS Loans made to graduate or professional students
- FFEL Consolidation Loans that did not repay any PLUS loans made to parents
- Federal Perkins Loans

NOT ELIGIBLE

- Direct PLUS Loans made to parents
- Direct Consolidation Loans that repaid PLUS loans made to parents

- FFEL Consolidation Loans that repaid PLUS loans made to parents
- Direct PLUS Loans made to parents

IBR Plan

ELIGIBLE

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans made to graduate or professional students
- Direct Consolidation Loans that did not repay any PLUS loans made to parents
- Subsidized Federal Stafford Loans (from the FFEL Program)
- Unsubsidized Federal Stafford Loans (from the FFEL Program)
- FFEL PLUS Loans made to graduate or professional students
- FFEL Consolidation Loans that did not repay any PLUS loans made to parents

ELIGIBLE IF CONSOLIDATED*

- Federal Perkins Loans

NOT ELIGIBLE

- Direct PLUS Loans made to parents
- Direct Consolidation Loans that repaid PLUS loans made to parents
- FFEL PLUS Loans made to parents
- FFEL Consolidation Loans that repaid PLUS loans made to parents

ICR Plan

ELIGIBLE

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans made to graduate or professional students
- Direct Consolidation Loans that did not repay any PLUS loans made to parents
- Direct Consolidation Loans that repaid PLUS loans made to parents

ELIGIBLE IF CONSOLIDATED*

- Direct PLUS Loans made to parents
- Subsidized Federal Stafford Loans (from the FFEL Program)
- Unsubsidized Federal Stafford Loans (from the FFEL Program)
- FFEL PLUS Loans made to graduate or professional students
- FFEL PLUS Loans made to parents
- FFEL Consolidation Loans that did not repay any PLUS loans made to parents
- FFEL Consolidation Loans that repaid PLUS loans made to parents
- Federal Perkins Loans

*If a loan type is listed as “eligible if consolidated,” this means that if you consolidate that loan type into a Direct Consolidation Loan, you can then repay the consolidation loan under the income-driven plan. For example, only Direct Loans can be repaid under the SAVE, PAYE, and ICR plans. However, if you consolidate a FFEL Program Loan or Federal Perkins Loan into a Direct Consolidation Loan, you may then be able to repay the Direct Consolidation Loan under the SAVE, PAYE, and ICR Plan (depending on the type of loan that you consolidate). Note that consolidation is not the right choice for all borrowers or all loan types. In particular, you may lose certain loan benefits if you consolidate a Federal Perkins Loan. Find out more about loan consolidation.

Only federal student loans can be repaid under the income-driven plans. **Private student loans are not eligible.**

Is an income-driven repayment plan right for me?

Income-driven repayment plans usually lower your federal student loan payments. However, whenever you make lower payments or extend your repayment period, you will likely pay more in interest over time—sometimes significantly more. In addition, under current Internal Revenue Service rules, **you may be required to pay income tax on any amount that's forgiven if you still have a remaining balance at the end of your repayment period.**

How do I decide which income-driven repayment plan to choose?

If you’ve decided that an income-driven repayment plan is right for you, you’ll want to choose the plan that provides the most benefit to you based on your individual circumstances. Although all four income-driven plans allow you to make a monthly payment based on your income, the plans differ in terms of who qualifies, how much you have to pay each month, the length of the repayment period, and the types of loans that can be repaid under the plan.

If you have only Direct Loans, you can choose from all four income-driven repayment plans. If you're not sure which plan to choose, you have the option of requesting the income-driven plan that provides the lowest payment amount. Your servicer will determine which plans you qualify for and will then place you on the plan with the lowest monthly payment.

If you have FFEL Program loans, your only income-driven repayment plan option is the IBR Plan. However, if you consolidate your FFEL Program loans into a Direct Consolidation Loan, you'll then have access to the SAVE, PAYE, and ICR plans. Find out more about loan consolidation.

How do I apply for an income-driven repayment plan?

Before you apply for an income-driven repayment plan, contact your loan servicer if you have any questions. Your loan servicer will help you decide whether one of these plans is right for you.

To apply, you must submit an application called the Income-Driven Repayment Plan Request. You can submit the application online or on a paper form, which you can get from your loan servicer. The application allows you to select an income-driven repayment plan by name, or to request that your loan servicer determine what income-driven plan or plans you qualify for, and to place you on the income-driven plan with the lowest monthly payment amount.

Note: If you have more than one servicer for the loans that you want to repay under an income-driven plan, you must submit a separate request to each servicer.

When you apply, you'll be asked to provide income information that will be used to determine your eligibility for the PAYE or IBR plans and to calculate your monthly payment amount under all income-driven repayment plans. This may be either your adjusted gross income (AGI) or alternative documentation of income.

Your AGI will be used if

- you filed a federal income tax return in the past two years, and
- your current income isn't significantly different from the income reported on your most recent federal income tax return.

You can provide your AGI in one of the following ways:

- Apply using the online Income-Driven Repayment Plan Request and use the IRS Data Retrieval Tool in the application to transfer income information from your federal income tax return.
- Use the paper Income-Driven Repayment Plan Request and provide a paper copy of your most recently filed federal income tax return or IRS tax return transcript.

If you haven't filed a federal income tax return in the past two years, or if your current income is significantly different from the income reported on your most recent federal income tax return (for example, if you lost your job or have experienced a drop in income), alternative documentation of your income will be used to determine your eligibility and calculate your monthly payment amount. You can provide alternative documentation in one of the following ways:

- If you currently receive taxable income, you must submit a paper Income-Driven Repayment Plan Request with alternative documentation of your income, such as a pay stub.
- If you currently don't have any income or if you receive only untaxed income, you can indicate that on the online or paper application. In this case, you're not required to supply further documentation of your income.

Depending on whether you applied electronically or submitted a paper request form and whether you've submitted all required documents, it may take your servicer a few weeks to process your request, because they will need to obtain documentation of your income and family size. If you are currently repaying your loans under a different repayment plan, your loan servicer may apply a forbearance to your student loan account while processing your request for an income-driven repayment plan.

What other options do I have if I need help repaying my student loans?

If an income-driven repayment plan isn't right for you, contact your loan servicer to discuss other repayment options. You may be able to extend your repayment period through the Extended Repayment Plan or through loan consolidation. You may also be able to temporarily suspend repayment through a deferment or forbearance.

SAVE Repayment Plan Offers Lower Monthly Loan Payments

The Saving on a Valuable Education (SAVE) Plan is the newest income-driven repayment (IDR) plan. Like other IDR plans, the SAVE Plan calculates your monthly payment amount based on your income and family size. The SAVE Plan provides the lowest monthly payments of any IDR plan available to nearly all student borrowers.

Read more about how the SAVE Plan will transform loan repayment and protect borrowers.

The SAVE Plan replaced the Revised Pay As You Earn (REPAYE) Plan. Borrowers on the REPAYE Plan automatically get the benefits of the new SAVE Plan.

Apply for SAVE

What You Need to Know

The SAVE Plan includes multiple new benefits for borrowers. The changes below will go into effect this summer. Additional benefits go into effect in July 2024.

Changes Under SAVE	What This Means
The SAVE Plan significantly decreases monthly payments by increasing the income exemption from 150% to 225% of the poverty line.	The new plan can significantly decrease your monthly payment amount compared to all other income-driven repayment plans. Your monthly payment amount is based on your discretionary income—the difference between your adjusted gross income (AGI) and 225% of the U.S. Department of Health and Human Services Poverty Guideline amount for your family size. See table below for examples. That means you will not owe loan payments if you are a single borrower earning $32,800 or less or a family of four earning $67,500 or less (amounts are higher in Alaska and Hawaii). Borrowers earning more than these amounts will save at least $1,000 per year compared to the current income-driven repayment plans.
The plan eliminates 100% of remaining interest for both subsidized and unsubsidized loans after a scheduled payment is made.	If you make your monthly payment, your loan balance won't grow due to unpaid interest. For example: If $50 in interest accumulates each month and you have a $30 payment, the remaining $20 would not be charged.

The SAVE Plan excludes spousal income for borrowers who are married and file separately.	This change removes the need for your spouse to cosign your IDR application.

When can I apply for the SAVE Plan?

The updated IDR application is now available and includes the option to enroll in the new SAVE Plan.

If you are enrolled in the REPAYE Plan or recently applied, you will be automatically enrolled in the SAVE Plan. There is no need to reapply or request to change your plan. Learn how to check which plan you're on.

How do I apply for the SAVE Plan?

Use the IDR application to apply for the SAVE Plan now. You can select the option for your loan servicer to place you on the lowest monthly payment plan (this will usually be SAVE).

What if I'm already on an IDR plan?

If you are already on an IDR plan, check to see if you are on the REPAYE Plan. Log in to StudentAid.gov, go to your My Aid page, scroll down, and view your loans. Each loan will list a repayment plan. If you see that you are enrolled in the REPAYE Plan, you'll automatically be enrolled in the SAVE Plan later this summer. You can now enroll in the SAVE Plan if you're on a different repayment plan. If you don't have a StudentAid.gov account, create an account now.

Which loans are eligible for the SAVE Plan? Which loans are ineligible?

Eligible loans for the SAVE Plan include

- Direct Subsidized Loans,
- Direct Unsubsidized Loans,
- Direct PLUS Loans made to graduate or professional students, and
- Direct Consolidation Loans that did not repay any PLUS loans made to parents.

Loans that must first be consolidated into a Direct Consolidation Loan to be eligible for repayment under the SAVE Plan are

- Subsidized Federal Stafford Loans (from the FFEL Program),
- Unsubsidized Federal Stafford Loans (from the FFEL Program),
- FFEL PLUS Loans made to graduate or professional students,

- FFEL Consolidation Loans that did not repay any PLUS loans made to parents, and
- Federal Perkins Loans.

Loans that are ineligible for repayment under the SAVE Plan are

- Direct PLUS Loans made to parents,
- Direct Consolidation Loans that repaid PLUS loans made to parents,
- FFEL PLUS Loans made to parents,
- FFEL Consolidation Loans that repaid PLUS loans made to parents, and
- any loan that is currently in default.

If your loans are in default, you may qualify for the Fresh Start initiative to easily get your loans back in good standing. It's free and takes 10 minutes or less to sign up and enroll in an affordable repayment plan, such as the SAVE Plan, with payments as low as $0 a month.

How much will I pay each month?

The SAVE Plan calculates your monthly payment based on your income and family size. Starting this summer, if you're making $32,800 per year or less, roughly $15 dollars per hour, your monthly payment will be $0. If you make more than that, you could save at least $1,000 per year compared to other IDR plans.

Starting next summer, borrowers on the SAVE Plan will have their payments on undergraduate loans cut in half (reduced from 10% to 5% of income above 225% of the poverty line). Borrowers who have undergraduate and graduate loans will pay a weighted average of between 5% and 10% of their income based on the original principal balances of their loans.

What other changes to income-driven repayment are coming this summer?

We are launching the following changes to the income-driven repayment application and process this summer.

Update to IDR	What This Means
You can now grant us annual access to your latest IRS tax returns, safely and securely.	When you apply for or recertify your IDR plan, you can provide approval for the secure disclosure of tax information so that we can automatically access your latest IRS tax return. You'll save lots of time since you'll no longer need to manually provide any income or family size information for your initial application or recertification.
You'll save time and never miss your recertification date with first-ever automatic reenrollment in IDR plans.	If you agree to the secure disclosure of your tax information, we and your loan servicer will automatically recertify your enrollment in IDR and adjust your monthly payment amount once a year. You'll be notified when your payment is changing and you'll always be able to recertify your plan manually. **Note:** Auto-recertification will be available in July 2024. If you apply for IDR electronically in August 2023 or later and you agree to securely share your tax information, then your plan will automatically be recertified the next time your recertification is due.
End of interest capitalization when a borrower leaves most IDR plans	As of July 1, 2023, unpaid interest on your loans won't be added to your principal when you leave any IDR plan, except the Income-Based Repayment (IBR) Plan (where capitalization is required by statute).
User-friendly application	The redesigned application will allow you to enroll in IDR in 10 minutes or less, save your progress, and track your application via your StudentAid.gov account.

When do I need to apply for SAVE to see the change reflected in my first bill?

Borrowers currently enrolled in the REPAYE Plan will see their monthly payments automatically adjusted to the new SAVE Plan before payments restart. Most borrowers who apply for the SAVE Plan by mid-August will have their new monthly payment amount reflected in the billing statement sent to them in September for their first payment in October.

After you apply, check the status of your application by visiting your account dashboard on StudentAid.gov.

Some borrowers may receive disclosure from their servicer as early as August. For those borrowers, this is intended to inform you of your monthly payment. If you applied for the SAVE Plan close to your servicer's bill issue date or before your required payment due date, your servicer will place you in a forbearance status for the upcoming billing cycle so that you do not pay more than you need to. Your servicer will also place you in forbearance if they cannot process your application before these dates.

Additionally, you can find the most up-to-date information on your monthly payment amount by logging onto your account with your student loan servicer.

What are the SAVE Plan benefits going into effect next year?

The SAVE Plan includes additional benefits that will go into effect in July 2024. These additional benefits will likely reduce payments further and make it easier to manage repayment. The benefits include the following:

- Payments on undergraduate loans will be cut in half (reduced from 10% to 5% of income above 225% of the poverty line). Borrowers who have undergraduate and graduate loans will pay a weighted average of between 5% and 10% of their income based on the original principal balances of their loans.
- Borrowers with original principal balances of $12,000 or less will receive forgiveness of any remaining balance after making ten years of payments, with the maximum repayment period before forgiveness rising by one year for every additional $1,000 borrowed. For example, if your original principal balance is $14,000, you will see forgiveness after 12 years. Payments made previously (before 2024) and those made from now on will count toward these maximum forgiveness timeframes.
- Borrowers who consolidate will keep their progress toward forgiveness. They will receive credit for a weighted average of payments that count toward forgiveness based upon the principal balance of the loans being consolidated.
- Borrowers will automatically receive credit toward forgiveness for specific periods of deferment and forbearance.
- Borrowers can make additional "catch-up" payments to get credit for all other periods of deferment or forbearance.
- Borrowers who are 75 days late will be automatically enrolled in IDR if they have agreed to allow the U.S. Department of Education to securely access their tax information.

How can my monthly payment amount be $0?

IDR plans protect a minimum amount of income to ensure you can cover basic necessities like food and housing costs. Since IDR plans are calculated based on income and family size, if your household income is below that level, you will have a $0 monthly payment. Each time you recertify your IDR plan with updated income and family size information, you may see your payment adjusted.

If you have a $0 payment due, you do not need to pay anything that month. Just make sure you know your recertification date. When applying for IDR, we recommend you consent to securely sharing your tax information so that we can automatically recertify your IDR enrollment for you. This way, you'll never miss your recertification date and won't have to fill out a recertification application.

Tip: If you have additional money in your budget to pay down your student loan balance, you can always set a custom payment amount each month, even if you have a $0 payment.

What happens if I apply for IDR after my servicer has already generated my first bill?

If you apply for the SAVE Plan close to your servicer's bill issue date or before your required payment due date, your servicer will place you in a forbearance status for the upcoming billing cycle so that you do not pay more than you need to. Your servicer will also place you in forbearance if they cannot process your application before these dates.

You can check your application status by logging onto your account with your student loan servicer.

What happens if I submit multiple IDR applications?

Servicers process applications in the order they are received. Any applications you submit will be processed in the order you submit them.

How do I complete the application if I have limited internet access?

The IDR application is available online and in paper form (downloadable via PDF). The online applications is available in English, and the paper form is available in English and Spanish. The online applications is compliant with

Section 508 of the Rehabilitation Act of 1973, as amended, to ensure access to individuals with disabilities.

If you do not have internet access or need a paper version of the application, you can download a PDF copy of the Income-Driven Repayment Plan Request form, print it, fill it out, and mail it to your loan holder as described on the application. You can also contact us to request a physical copy to be mailed to you.

How do I complete the application if I have a disability?

If you need help filling out any of the forms, you can reach our contact center. If you're deaf or hard of hearing, you can get help from our contact center through chat or email. You can also contact us using a Video Relay Service.

How do I complete the application if I speak a language other than English?

We have a PDF of the application in English and Spanish. If you speak a language other than English, our contact center provides support for over 100 common languages, including Spanish, Chinese, and French.

How do I complete the application if I live outside of the United States?

If you're an American living outside the United States, you can access the IDR application without having to use a virtual private network (VPN). If you have any issues accessing the form while abroad, please reach out to our contact center.

If your loan servicer receives documentation of your death, your federal student loans will be discharged

Federal student loans will be discharged due to the death of the borrower or of the student on whose behalf a PLUS loan was taken out.

What happens to my loans if I die?

If you die, then your federal student loans will be discharged after the required proof of death is submitted.

What happens to my parent’s PLUS loan if my parent dies or if I die?

Your parent's PLUS loan will be discharged if your parent dies or if you (the student on whose behalf your parent obtained the loan) die.

What proof of death is needed to discharge a loan?

The loan will be discharged if a family member or other representative provides the loan servicer acceptable documentation of the borrower's or parent's death. Acceptable documentation includes an original death certificate, a certified copy of the death certificate, or an accurate and complete photocopy of one of those documents. For more information about documentation requirements, contact your loan servicer.

In some cases, you can have your federal student loan discharged after declaring bankruptcy

However, discharge in bankruptcy is not an automatic process.

You may have your federal student loan discharged in bankruptcy only if you file a separate action, known as an "adversary proceeding," requesting the bankruptcy court find that repayment would impose undue hardship on you and your dependents.

What circumstances do I need to prove to have my loan discharged in bankruptcy?

You must declare Chapter 7 or Chapter 13 bankruptcy and demonstrate that repayment would impose undue hardship on you and your dependents. This must be decided in an adversary proceeding in bankruptcy court. Your creditors may be present to challenge the request.

How do bankruptcy courts determine undue hardship?

The bankruptcy courts do not use a single test to determine undue hardship but may look at the following factors to determine whether requiring you to repay your loans would cause an undue hardship:

- If you are forced to repay the loan, you would not be able to maintain a minimal standard of living.
- There is evidence that this hardship will continue for a significant portion of the loan repayment period.
- You made good faith efforts to repay the loan before filing bankruptcy.

What happens to my loan if the bankruptcy court determines repayment would cause undue hardship?

It depends on the terms of the bankruptcy court's determination. The terms may include the following:

- Your loan may be fully discharged, and you will not have to repay any portion of your loan. All collection activity will stop.
- Your loan may be partially discharged, and you will still be required to repay some portion of your loan.
- You may be required to repay your loan, but with different terms, such as a lower interest rate.

What can I do if the bankruptcy court doesn't discharge my loans but I can't afford the payments?

Many different repayment plans exist, and switching to a plan that's a better fit is usually a possibility. Contact your loan servicer if you would like to discuss repayment plan options or change your repayment plan. You can get information about all of the federal student loans you have received and find the loan servicer for your loans by logging in to "My Federal Student Aid."

Total and Permanent Disability Discharge

If you're totally and permanently disabled, you may qualify for a discharge of your federal student loans and/or Teacher Education Assistance for College and Higher Education (TEACH) Grant service obligation.

Annual Earnings Documentation Waived and Reinstated Loans Returned to Discharge Status as a Result of the COVID-19 Emergency

On March 29, 2021, due to the COVID-19 emergency, the Department of Education (ED) suspended the annual requirement for borrowers to certify their annual earnings during the three-year Total and Permanent Disability (TPD) post-discharge monitoring period.

Additionally, ED will be returning borrowers' loans and TEACH Grants back to discharge status if they were reinstated any time on or after March 13, 2020, due to a borrower's failure to certify annual earnings.

A total and permanent disability (TPD) discharge relieves you from having to repay a William D. Ford Federal Direct Loan (Direct Loan) Program loan, a Federal Family Education Loan (FFEL) Program loan, and/or a Federal Perkins Loan or to complete a TEACH Grant service obligation.

In most cases, to qualify for a TPD discharge, you must complete and submit a TPD discharge application, along with documentation showing that you meet our requirements for being considered totally and permanently disabled, to Nelnet, the servicer that assists ED with the TPD discharge process.

Note: Throughout this page, the words "we," "our," and "us" refer to the U.S. Department of Education.

How do I show that I qualify for a TPD discharge?

You can show that you qualify for a TPD discharge by providing documentation from one of three sources:

1. the U.S. Department of Veterans Affairs (VA)
2. the Social Security Administration (SSA)
3. a physician

There are specific requirements for each type of supporting documentation that you can submit to show your eligibility.

VA Documentation

If you're a veteran, you can qualify for a TPD discharge by providing documentation from VA that shows you have received a VA disability determination because you (1) have a service-connected disability that is 100% disabling, or (2) are totally disabled based on an individual unemployability rating.

SSA Documentation

If you're eligible for Social Security Disability Insurance or Supplemental Security Income, you can qualify for a TPD discharge if you provide a copy of your SSA notice of award or Benefits Planning Query showing that your next scheduled disability review will be five to seven years or more from the date of your last SSA disability determination.

We work with VA and the SSA to identify those who qualify for a discharge based on their status with VA or the SSA. If we receive information from the appropriate agency indicating that you qualify for a TPD discharge, we'll send you a letter notifying you of your eligibility for discharge.

If you qualify for a TPD discharge based on information we receive from VA or the SSA, the letter we send will also explain that unless you tell us by a date specified in the letter that you do not want to receive a TPD discharge, ED will automatically discharge your federal student loans and/or TEACH Grant service obligation.

If you don't receive a letter from us notifying you that you qualify for TPD discharge based on information we received from VA or the SSA, but you believe you qualify and you submit a discharge application accompanied by documentation of your VA or SSA disability determination, in some cases we may require you to submit additional documentation to support your eligibility for discharge.

Physician's Certification

You also can qualify for a TPD discharge by having a physician certify on the TPD discharge application that you are unable to engage in any substantial gainful activity due to a physical or mental impairment that

- can be expected to result in death,
- has lasted for a continuous period of at least 60 months, or
- can be expected to last for a continuous period of at least 60 months.

Substantial gainful activity is a level of work performed for pay or profit that involves doing significant physical or mental activities, or a combination of both.

The physician who certifies your TPD discharge application must be a doctor of medicine (M.D.) or doctor of osteopathy/osteopathic medicine (D.O.) who is licensed to practice in the United States.

How do I apply for a TPD discharge?

You need to complete a TPD discharge application and send it, along with any required documentation of your eligibility for discharge, to Nelnet, the TPD discharge servicer. The TPD discharge application applies to all of your federal student loans and TEACH Grant service obligations. Nelnet assists us in administering the TPD discharge process and communicates with borrowers and TEACH Grant recipients on our behalf concerning TPD discharge requests.

To learn more about applying for a TPD discharge and to obtain a TPD discharge application, visit our TPD Discharge website at disabilitydischarge.com and select "Application Process."

You can let Nelnet know that you want to apply and request a TPD discharge application by phone or email. If you do, any required payments on your federal student loans will stop for 120 days to give you time to submit your application and any required supporting documentation.

You can contact Nelnet by email at disabilityinformation@nelnet.net and by phone at 1-888-303-7818 Monday–Friday 7 a.m.–2 a.m. Eastern time (ET), and Saturday 8 a.m.–7 p.m. ET. For additional ways to contact Nelnet, and to get more information about applying for a TPD discharge.

Can a representative apply on my behalf and help me throughout the TPD discharge process?

Yes, you can designate an individual or organization to complete and submit your TPD discharge application on your behalf, and to assist you throughout the discharge process. To designate a representative, you and your representative must complete an *Applicant Representative Designation* form. Nelnet must receive and process this form before working with your representative. You must submit this form even if your representative already has a power of attorney to act on your behalf in other matters.

To download the *Applicant Representative* Designation form, visit the TPD Discharge website and select "Forms."

What happens after I submit a TPD discharge application?

After your application is received, Nelnet will explain the process for the review of your application. You won't be required to make any payments on your loans while your discharge application is being reviewed.

What happens if my TPD discharge request is approved?

This depends on the type of documentation you submitted to show us that you qualified for a TPD discharge.

VA Documentation

If we determine that you are totally and permanently disabled based on documentation from the VA, Nelnet will

- notify you that your loans and/or TEACH Grant service obligation have been discharged, and
- instruct your loan holders to return any loan payments received on or after the effective date of the VA's disability determination to the person who made the payments.

SSA Documentation or Physician's Certification

If we determine that you are totally and permanently disabled based on SSA documentation or a physician's certification, Nelnet will

- notify you that your loans and/or TEACH Grant service obligation have been discharged;
- instruct your loan holders to return any loan payments received after the date Nelnet received the SSA documentation or the date the physician certified your discharge application to the person who made the payments; and
- notify you that you will be subject to a three-year post-discharge monitoring period that begins on the date the discharge is approved, and that your obligation to repay your loans or complete your TEACH Grant service obligation will be reinstated if you don't meet certain requirements at any time during this monitoring period.

What requirements do I have to meet during the three-year post-discharge monitoring period?

Your obligation to repay your loans or complete your TEACH Grant service obligation will be reinstated if, at any time during the three-year post-discharge monitoring period, you receive

- annual earnings from employment that exceed the poverty guideline amount for a family of two in your state, regardless of your actual family size;
- a new federal student loan under the Direct Loan Program or a new TEACH Grant;
- another disbursement (payment) of a Direct Loan or a TEACH Grant that was first disbursed (paid out) before your discharge was approved, and the new disbursement has not been returned to the loan holder or (for a TEACH Grant) to us within 120 days of the disbursement date; or

- a notice from the SSA stating that you are no longer disabled, or that your next scheduled disability review will no longer be five to seven years from the date of your last SSA disability determination.

Note: During the post-discharge monitoring period, Nelnet will require you to submit documentation of your annual earnings from employment on a form that Nelnet will provide. If you don't submit this form with the required documentation of your income, your obligation to repay your loans or complete your TEACH Grant service obligation will be reinstated.

The poverty guideline amounts are updated annually by the Department of Health and Human Services. Nelnet will notify you of the current poverty guideline amounts during each year of the post-discharge monitoring period.

For detailed information regarding the three-year post-discharge monitoring period requirements, visit the TPD Discharge website and select "Monitoring Period."

If you're a veteran whose TPD discharge application is approved based on documentation from the VA, you aren't subject to a post-discharge monitoring period.

What happens if my obligation to repay my loans or satisfy my TEACH Grant service obligation is reinstated?

You will again be responsible for repaying your loans in accordance with the terms of the promissory note that you signed, or satisfying your TEACH Grant service obligation in accordance with the terms of the *TEACH Grant Agreement to Serve or Repay* that you completed.

If you applied for a discharge of loans, your loans will be returned to the status they were in before you applied for discharge. This means that if a loan was in default before you applied for a TPD discharge, it will be returned to default status.

If your obligation to repay your loans or complete your TEACH Grant service obligation is reinstated, Nelnet will explain the reason for the reinstatement and will provide information about what you can do if you have questions about the reinstatement or if you believe the reinstatement was based on incorrect information.

What happens if my TPD discharge request is denied?

If we determine that you don't qualify for a TPD discharge, Nelnet will

- notify you of the reason for the denial of your discharge application;
- explain that you may ask us to reevaluate your discharge application if you provide new information that supports your eligibility for discharge within 12 months of the date you are notified that your discharge application has been denied;

- explain that if you don’t request reevaluation of your discharge application within 12 months of the date you’re notified that your discharge application has been denied, and you still want us to reevaluate your eligibility, you must submit a new TPD discharge application with new information about your disabling condition that was not provided with your prior discharge application;
- explain that you’re again responsible for repaying your loans, and that your loan holder will notify you when your first payment is due; and
- explain that if you applied for a discharge of a TEACH Grant service obligation, you’re again responsible for meeting the terms and conditions of the service obligation.

I received a TPD discharge but want to go back to school. Can I take out more student loans or TEACH Grants?

Yes, but with some conditions.

If you received a TPD discharge based on VA documentation, SSA documentation, or a physician’s certification, you must

- give your school a letter from a physician stating that you are once again able to engage in substantial gainful activity, and
- sign a statement acknowledging that you can't get a TPD discharge of the new loan or TEACH Grant based on a disabling condition that already exists when you receive the new loan or TEACH Grant, unless that condition substantially deteriorates in the future.

If you received a TPD discharge based on SSA documentation or a physician’s certification and your three-year post-discharge period hasn’t ended, you must also resume repayment on your previously discharged loans or acknowledge that you are once again responsible for meeting the terms and conditions of your TEACH Grant service obligation.

If my loan is discharged due to TPD, do I have to pay taxes on the discharged loan amount?

Because of a change in federal law related to the taxability of loan amounts discharged due to TPD, the answer depends on when you received the discharge.

- If you received a TPD discharge of a loan **before Jan. 1, 2018**, the loan amount discharged may be considered income for federal tax purposes under Internal Revenue Service (IRS) rules.
- If you received a TPD discharge of a loan **during the period from Jan. 1, 2018 to Dec. 31, 2025**, the discharged loan amount won’t be considered income for federal tax purposes.

For purposes of determining whether a loan amount discharged due to TPD may be treated as taxable income for federal tax purposes, the date you are considered to have received the discharge is different depending on how you qualified for the discharge.

If you're a veteran who showed that you're totally and permanently disabled based on a disability determination by the VA, you're considered to have received the discharge for federal tax purposes on the date we approve the discharge.

If you showed that you're totally and permanently disabled based on documentation from the SSA or a physician's certification (meaning that you're subject to a three-year post-discharge monitoring period), you're considered to have received the discharge for federal tax purposes at the end of the post-discharge monitoring period. For example, if your discharge was approved in July 2017, you would not be considered to have received the discharge for federal tax purposes until July 2020, at the end of the three-year post-discharge monitoring period. Therefore, the IRS would not consider the discharged loan amount to be taxable income for federal tax purposes.

If you receive a Form 1099-C, you should keep the form for your records, but you do not need to include it when filing your federal tax return. For additional information, visit irs.gov.

The discharged loan amount may be considered income for state tax purposes. You may want to consult with your state tax office or a tax professional before you file your state tax return.

Loan amounts discharged due to TPD may still be considered income for state tax purposes. If you receive a TPD discharge of a federal student loan, you may want to consult with your state tax office or a tax professional before you file your state tax return.

You might be eligible for a discharge of your federal student loans based on false certification

You might be eligible for a discharge of your loan made under the William D. Ford Federal Direct Loan (Direct Loan) Program or Federal Family Education Loan (FFEL) Program if your school falsely certified your eligibility to receive a loan.

What are the eligibility requirements to qualify for a loan discharge based on false certification?

There are three categories of false certification through which you might be eligible for a discharge of your Direct Loans or FFEL Program loans:

1. **Ability to benefit:** The school falsely certified your eligibility to receive the loan based on your ability to benefit from its training, and you didn't meet the ability-to-benefit student eligibility requirements that were in effect at the time the school determined your eligibility.
2. **Disqualifying status:** The school certified your eligibility to receive the loan, but at the time of the certification, you had a status (physical or mental condition, age, criminal record, or other circumstance) that disqualified you from meeting the legal requirements for employment in your state of residence in the occupation for which the program of study was preparing you.
3. **Unauthorized signature or unauthorized payment:** The school signed your name on the loan application or promissory note without your authorization or the school endorsed your loan check or signed your authorization for electronic funds transfer without your knowledge, and the loan money wasn't given to you or applied to charges you owed to the school.

How do I apply for a loan discharge?

If you have a Direct Loan or FFEL Program loan and you're ready to apply for the false certification discharge, you must complete the loan discharge application that applies to your circumstance:

- *Loan Discharge Application: False Certification (Ability to Benefit).*
- *Loan Discharge Application: False Certification (Disqualifying Status)*
- *Loan Discharge Application: False Certification (Unauthorized Signature/Payment)**

*Complete the *Loan Discharge Application: False Certification (Unauthorized Signature/Payment)* only if you believe that an employee of the school that determined your eligibility for the loan signed your name on the promissory note or other loan documents without your authorization. If you believe that someone else (other than a school employee) forged your signature on a loan document or a loan was made in your name as a result of the crime of identity theft, contact your loan servicer.

How much of my loan will be discharged if I'm approved for a loan discharge?

If you meet the eligibility requirements for a discharge, the entire remaining balance of your loan will be discharged, and any payments made on the loan will be refunded.

What happens if my loan discharge is denied?

You will remain responsible for repaying your loan. If you believe that your loan discharge application was denied in error or if you have additional information that you believe would support your eligibility for a false certification discharge, you may ask the U.S. Department of Education to review the denial.

I'm a parent who received a Direct PLUS Loan to help pay for my child's education. Can my loan be discharged due to false certification?

Yes, some or all of your parent PLUS loan might be discharged if

- the school falsely certified the student's ability to benefit from its training,
- the student had a disqualifying status at the time the school certified your eligibility to receive the parent PLUS loan, or
- the school signed your name on the promissory note or other loan documents without your authorization.

If you withdrew from school and the school didn't make a required return of loan funds to the loan servicer, you might be eligible for a discharge of your federal student loans

If you withdrew from school after receiving a loan made under the William D. Ford Federal Direct Loan (Direct Loan) Program or Federal Family Education Loan (FFEL) Program, the school may have been required under federal regulations to return some or all of the loan money to your loan servicer. If the school didn't make a required return of the loan funds after you withdrew, you might be eligible for a discharge of the portion of your loan that the school failed to return.

How do I apply for unpaid refund discharge?

If the school that you attended is still open, you should contact that school and attempt to resolve the issue with the school before applying for an unpaid refund discharge. If the school that you attended has closed, you should first determine if you may be eligible for a closed school discharge instead. Contact your loan servicer for more information. Find out who your loan servicer is by logging in to "My Federal Student Aid."

If you're ready to apply for the unpaid refund discharge, you must complete the *Loan Discharge Application: Unpaid Refund* and send the completed form to your loan servicer.

How much of my loan will be discharged if I'm approved for a loan discharge?

Only the portion of your loan that your school should have returned will be discharged. Contact your loan servicer for more information.

I'm a parent who received a Direct PLUS Loan to help pay for my child's education. Can my loan be discharged due to unpaid refund?

Yes, if your child withdrew from school but the school didn't make a required return of your parent PLUS loan funds, the amount of the loan that the school should have returned will be discharged. Contact your loan servicer for more information.

Closed School Discharge

Learn about the eligibility requirements for closed school loan discharge and how you can apply.

If your school closes while you're enrolled or soon after you withdraw, you may be eligible for discharge of your federal student loan. Loan discharge is the removal of your obligation to repay your loan under certain circumstances.

There are certain eligibility requirements to qualify for a closed school loan discharge; you must apply to get a discharge.

It's important for you to obtain your academic and financial aid records if your school closes, since you might need those records if you plan to attend another school or want your student loans discharged.

Loan Discharge Criteria

You may be eligible for a 100 percent discharge of your William D. Ford Federal Direct Loan (Direct Loan) Program loans, Federal Family Education Loan (FFEL) Program loans, or Federal Perkins Loans if you were unable to complete your program because your school closed, and if

- you were enrolled when your school closed;
- you were on an approved leave of absence when your school closed;
- your school closed within 120 days after you withdrew, if your loans were first disbursed before July 1, 2020; or
- your school closed within 180 days after you withdrew, if your loans were first disbursed on or after July 1, 2020.

You are not eligible for discharge of your loans if your school closes and any of the following is true:

- Except in exceptional circumstances, you withdrew more than 120 days before the school closed, if your loans were first disbursed before July 1, 2020; or
- Except in exceptional circumstances, you withdrew more than 180 days before the school closed, if your loans were first disbursed on or after July 1, 2020.
- You are completing a comparable educational program:
    - through a teach-out,
    - by transferring academic credits or hours earned at the closed school to another school, or
    - by any other comparable means.
- You completed all the coursework for the program before the school closed, even if you did not receive a diploma or certificate.

Loan Discharge Process

If you meet the eligibility requirements for a discharge of loans you obtained to attend a school that closed, the Secretary will automatically send you an application you can submit to your loan servicer.

Or, you can contact your loan servicer directly about the application process for getting your loan discharged.

- Be sure to continue to make payments on your loan while your discharge application is being processed.

Automatic Closed School Loan Discharge

If you meet the eligibility requirements for a closed school discharge of your loans obtained to attend a school that closed on or after Nov. 1, 2013, but before July 1, 2020, and you have not enrolled at another school that participates in the federal student aid programs within three years of the date your school closed, you will receive an automatic closed school discharge. This discharge will be initiated by the U.S. Department of Education (ED), and you will be notified by your loan servicer.

Although this closed school loan discharge is granted automatically after three years have passed since your school's closure, nothing prevents you from applying for and receiving a closed school discharge as soon as your school's official closure date is confirmed by ED. If you 1) attended a school that closed less than three years ago, 2) meet the eligibility requirements for a closed school discharge, and 3) want your loans discharged, contact your loan servicer about applying for a closed school discharge now instead of waiting for three years to receive an automatic closed school discharge.

Deferment

With deferment, you won't have to make a payment. However, you probably won't be making any progress toward forgiveness or paying back your loan. As an alternative, consider income-driven repayment.

You MUST continue making payments on your student loan(s) until you have been notified that your request for deferment has been granted. If you stop paying and your deferment is not approved, your loan(s) will become delinquent and you may go into default.

Be Aware That Interest Might Accrue During Deferment

If you're granted a deferment, you might still be responsible for paying the interest that accrues during the deferment period. The table below shows when you are responsible for paying the interest and when you are not responsible based on loan type.

Loan Types Where You Are Generally NOT Responsible for Paying the Interest That Accrues	Loan Types Where You Are Responsible for Paying the Interest That Accrues	
Direct Subsidized Loans	Direct Unsubsidized Loans	
Subsidized Federal Stafford Loans	Unsubsidized Federal Stafford Loans	
Federal Perkins Loans	Direct PLUS Loans	The subsidized portion of Direct Consolidation Loans
The subsidized portion of FFEL Consolidation Loans	The unsubsidized portion of Direct Consolidation Loans	
	The unsubsidized portion of FFEL Consolidation Loans	

When you are responsible for paying the interest on your loans during a deferment, you can either pay the interest as it accrues, or you can allow it to accrue and be capitalized (added to your loan principal balance) at the end of the deferment period. If you don't pay the interest on your loan and allow it to be capitalized, the total amount you repay over the life of your loan may be higher. Unpaid interest is capitalized only on Direct Loans and FFEL Program loans. Unpaid interest is never capitalized on Perkins Loans.

Request a Deferment

Most deferments are not automatic—you need to submit a request to your student loan servicer, often on a form. Also, for most deferments, you must provide your student loan servicer with documentation to show that you meet the eligibility requirements for the deferment.

Understand Eligibility for a Deferment

There are a variety of circumstances that may qualify you for a deferment on your federal student loan.

Cancer Treatment Deferment

You may qualify for this deferment while you are undergoing cancer treatment and for the six-month period after your treatment ends.

Complete the *Cancer Treatment Deferment Request*.

Economic Hardship Deferment

You may qualify for this deferment if you

- are receiving a means-tested benefit, like welfare (e.g., Temporary Assistance for Needy Families (TANF));
- work full-time but have earnings that are below 150% of the poverty guideline for your family size and state of residence; or
- are serving in the Peace Corps.

You can only receive this deferment for up to three years.

Complete the *Economic Hardship Deferment Request*.

Graduate Fellowship Deferment

You may qualify for this deferment if you are enrolled in an approved graduate fellowship program. A graduate fellowship program is generally a program that provides financial support to graduate students to pursue graduate studies and research. Most graduate fellowship programs are for doctoral students, but some are available to master's degree students.

Complete the *Graduate Fellowship Deferment Request*.

In-School Deferment

You are eligible for this deferment if you're enrolled at least half-time at an eligible college or career school. If you're a graduate or professional student who received a Direct PLUS Loan, you qualify for an additional six months of deferment after you cease to be enrolled at least half-time.

Important! If you are enrolled in an eligible college or career school at least half-time, in most cases your loan will be placed into a deferment automatically based on enrollment information reported by your school, and your loan servicer will notify you that the deferment has been granted. If you enroll at least half-time but do not automatically receive a deferment, you should contact the school where you are enrolled. Your school will then report information about your enrollment status so that your loan can be placed into deferment.

Complete the *In-School Deferment Request*.

Note: In-school deferment is generally automatic, so in most cases it isn't necessary to complete the In-School Deferment Request. However, if you're enrolled at least half-time but do not automatically receive a deferment, you can either ask your school to report your enrollment information, as explained above, or complete the In-School Deferment Request.

Military Service and Post-Active Duty Student Deferment

You may be eligible for this deferment if

- you are on active duty military service in connection with a war, military operation, or national emergency; or
- you've completed qualifying active duty service and any applicable grace period. This deferment ends when you resume enrollment in an eligible college or career school on at least a half-time basis or 13 months following the completion date of active duty service and any applicable grace period, whichever is earlier.

Complete the *Military Service and Post-Active Duty Student Deferment Request*.

Parent PLUS Borrower Deferment

You may qualify for this deferment if you're a parent who received a Direct PLUS Loan to help pay for your child's education, and the student you took the loan out for is enrolled at least half-time at an eligible college or career school. You can also receive a deferment for an additional six months after the student ceases to be enrolled at least half-time.

Complete the *Parent PLUS Borrower Deferment Request*.

Note: As an alternative to completing the *Parent PLUS Borrower Deferment Request*, if the school your child is attending requires you to complete a Direct PLUS Loan Request, you can request this deferment when you submit the Direct PLUS Loan Request. Check with your child's school.

Rehabilitation Training Deferment

You may qualify for this deferment if you're enrolled in an approved rehabilitation training program that is designed to provide vocational, drug abuse, mental health, or alcohol abuse rehabilitation treatment.

Complete the *Rehabilitation Training Deferment Request*.

Unemployment Deferment

You may be eligible for this deferment if you receive unemployment benefits or you are seeking and unable to find full-time employment. You can receive this deferment for up to three years.

Complete the Unemployment Deferment Request.

If you received federal student loans before July 1, 1993, you might be eligible for additional deferments. For more information about these deferments, contact your loan servicer.

Loan Types Eligible for Deferment

All the deferments are available to Direct Loan, FFEL Program loan, and Perkins Loan borrowers.

If you received a Perkins Loan, you may also be eligible for a deferment while you are working toward cancellation on your Perkins Loan.

In most cases, Perkins Loan recipients who receive a deferment will receive a six-month post-deferment grace period that begins on the date they no longer meet the deferment eligibility requirements. No payments are required during the post-deferment grace period.

Forbearance

With forbearance, you won't have to make a payment, or you can temporarily make a smaller payment. However, you probably won't be making any progress toward forgiveness or paying back your loan. As an alternative, consider income-driven repayment.

Get Relief With Lower Payments on an Income-Driven Repayment Plan

If you're having trouble repaying your loans due to circumstances that may continue for an extended period, or if you're unsure when you'll be able to afford to make your monthly loan payments again, a better option might be to change to an income-driven repayment plan. Income-driven repayment plans base your monthly payments on your income and family size. In some cases, your payment could be as low as $0 per month. They can also provide loan forgiveness if your loan is not paid in full after 20 or 25 years.

Always contact your student loan servicer immediately if you're having trouble making your student loan payments.

If you're seeking Public Service Loan Forgiveness (PSLF) or income-driven repayment forgiveness, forbearance will not allow you to make progress toward forgiveness.

Be Aware That Interest Might Accrue During a Forbearance

If you are granted a forbearance, you are still responsible for the interest that accrues during the forbearance period. The interest will be added to total amount of money you have to repay on your loan.

Note: If you have a Federal Family Education Loan (FFEL) Program loan that is not managed by the U.S. Department of Education (ED), the unpaid interest capitalizes after a forbearance.

Unpaid interest is never capitalized on Federal Perkins Loans.

FFEL Program Loans Not Managed by ED

You can either

A. pay the interest as it accrues or
B. allow it to accrue and be capitalized (added to your loan principal balance) at the end of the forbearance period.

If you do option B, the total amount you repay over the life of your loan may be higher.

Request a Forbearance

Most types of forbearance are not automatic—you need to submit a request to your student loan servicer, often using a form. Also, for some types of forbearance, you must provide your student loan servicer with documentation to show that you meet the eligibility requirements for the forbearance you are requesting. Read on to learn more about the eligibility for specific types of forbearance and find forms for the different types.

Understand Eligibility for a Forbearance

There are two main types of forbearance: general and mandatory.

General Forbearance

Your loan servicer decides whether to grant a request for a general forbearance. For this reason, a general forbearance is sometimes called a “discretionary forbearance.”

You can request a general forbearance if you are temporarily unable to make your scheduled monthly loan payments for the following reasons:

- Financial difficulties
- Medical expenses
- Change in employment
- Other reasons acceptable to your loan servicer

Loan Programs Eligible for General Forbearance

General forbearances are available for Direct Loans, Federal Family Education (FFEL) Program loans, and Perkins Loans.

Duration of a General Forbearance

For loans made under all three programs, a general forbearance may be granted for no more than 12 months at a time. If you're still experiencing a hardship when your current forbearance expires, you may request another general forbearance. However, there is a cumulative limit on general forbearances of three years.

For more information, review the *General Forbearance Request*.

Mandatory Forbearance

If you meet the eligibility requirements for a mandatory forbearance, your loan servicer is required to grant the forbearance. You may be eligible for a mandatory forbearance in the following circumstances.

Note: The mandatory forbearances discussed below apply only to Direct Loans and FFEL Program loans unless otherwise noted.

AmeriCorps

You are serving in an AmeriCorps position for which you received a national service award.

Request an AmeriCorps forbearance.

Department of Defense Student Loan Repayment Program

You qualify for partial repayment of your loans under the U.S. Department of Defense Student Loan Repayment Program.

Complete the *Mandatory Forbearance Request: Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program*.

Medical or Dental Internship or Residency

You are serving in a medical or dental internship or residency program, and you meet specific requirements.

Complete the *Mandatory Forbearance Request: Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program*.

National Guard Duty

You are a member of the National Guard and have been activated by a governor, but you are not eligible for a military deferment.

Complete the Mandatory Forbearance Request: Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program.

Student Loan Debt Burden

The total amount you owe each month for all the federal student loans you received is 20 percent or more of your total monthly gross income, for up to three years.

Complete the Mandatory Forbearance Request: Student Loan Debt Burden.

Note: This mandatory forbearance type applies to Direct Loans, FFEL Program loans, and Perkins Loans.

Teacher Loan Forgiveness

You are performing teaching service that would qualify you for teacher loan forgiveness.

Apply using this form: Teacher Loan Forgiveness Forbearance Request.

Duration of Mandatory Forbearances

Mandatory forbearances may be granted for no more than 12 months at a time. If you continue to meet the eligibility requirements for the forbearance when your current forbearance period expires, you may request another mandatory forbearance.

You MUST continue making payments on your student loan(s) until you have been notified that your request for forbearance has been granted. If you stop paying and your forbearance is not approved, your loan(s) will become delinquent, and you may go into default.

Get Out of Default with Fresh Start

Fresh Start is a one-time temporary program from the U.S. Department of Education (ED) that offers special benefits for borrowers with defaulted federal student loans.

Fresh Start automatically gives you some benefits, such as restoring access to federal student aid (loans and grants). But you need to act to claim the full benefits of Fresh Start and get out of default. Sign up for Fresh Start for free using one of the methods below.

Enroll in Fresh Start to Get Out of Default

To use Fresh Start to get out of default, you must contact your loan holder. If your loans are held by ED, you can contact us using one of the three methods below. If your loans are held by a guaranty agency, you'll need to call that agency. Find contact information for guaranty agencies.

If you don't know who holds your loans, call 1-800-621-3115 (TTY 1-877-825-9923).

Three Ways to Contact Us About Fresh Start

This process can take less than 10 minutes.

Online—Go to myeddebt.ed.gov and log in to your account. This is the easiest option if you know your login.

Phone—Call us at 1-800-621-3115 (If you are deaf or hard of hearing, the TTY number is 1-877-825-9923).

- Tip: Before calling, look up your income on your most recent federal tax return (line 11 of IRS Form 1040). But if you can't find it or didn't file taxes, don't worry—you should still call.
- What to expect on the phone: It will take about 10 minutes. A representative will ask for some information to find your record, then ask why you are calling (your answer: Fresh Start, to get out of default). You will also get an opportunity to sign up for an income-driven repayment plan, which likely will qualify you for a lower monthly payment than a standard plan.

Mail—Write to P.O. Box 5609, Greenville, TX 75403. In your letter, include your name, social security number, date of birth, and the following: "I would like to use Fresh Start to bring my loans back into good standing."

What Happens Next

If you use Fresh Start to get out of default, here's what will happen:

- We'll transfer your defaulted loans from the Default Resolution Group (or from a guaranty agency) to a loan servicer.
- We'll return your defaulted loans to "in repayment" status.
- We'll remove the record of your default from your credit report.

Enroll In an Affordable Repayment Plan

When you get out of default, you will choose a type of payment plan to repay your loans. Most borrowers enrolling in Fresh Start (about 80%) choose an income-driven repayment (IDR) plan.

An IDR plan customizes your monthly payment to your income. You will never pay more than 10–20% of your income. Half of borrowers on Fresh Start are paying $0 a month, and 60% of Fresh Start borrowers are paying less than $50 a month.

When you call or sign up online, you'll be asked to provide the following details to enroll in an IDR plan:

- Your family size
- The number of dependents you support
- Your tax filing status from your most recent federal tax return (married filing jointly, single, married filing separate, or head of household)
- Your annual income level (line 11 of IRS Form 1040) from your most recent federal tax return
- Your spouse's adjusted gross income (if you are married but file separately)

Estimate Your Monthly Payment

Estimate Your Payments with *Loan Simulator*

Benefits of Fresh Start

Automatic Benefits

All defaulted borrowers temporarily have these benefits through at least September 2024. But you must use Fresh Start to get out of default to keep these benefits long-term.

Access to Federal Student Aid

If you're eligible for Fresh Start, you can now access federal student aid again. You can apply for federal grants and loans if you want to go back to school. This may help you complete an unfinished degree, possibly making it easier to repay your loans.

Fill out the Free Application for Federal Student Aid (FAFSA®) form now.

Stopped Collections

The collections relief you've gotten during the COVID-19 payment pause continues during Fresh Start. You'll continue to get the following collections relief:

- Tax refunds (and child tax credits) will not be withheld.
- Wages will not be garnished.
- Social Security payments (including disability benefits) will not be withheld.
- Collection calls will not be made.

Eligibility for Other Government Loans

We stopped reporting your default status in the government credit reporting system (CAIVRS).

Many lenders, especially for loans that are backed by the government, will reject applicants who are marked as "in default" in the government credit reporting system. With this Fresh Start benefit, you may become eligible for certain types of government-backed loans, such as mortgages.

Restored Ability to Rehabilitate Loans

Normally, you can rehabilitate a loan only one time. But Fresh Start will not count as your one chance at rehabilitating your loan(s).

For example, say you've never rehabilitated your loan before. You use Fresh Start to get your loan out of default, but your loan goes into default again later. In this case, you will still have the option to rehabilitate your loan.

The same is true for rehabilitating during the COVID-19 student loan payment pause. If you rehabilitated your loan(s) during the payment pause, that won't count as your one chance at rehabilitating your loans.

Credit Reporting Changes

Starting in December 2022, we began reporting defaulted loans held by ED as "current" rather than "in collections" to credit reporting agencies.

Added Benefits if You Use Fresh Start to Get Out of Default

You can now use Fresh Start to get out of default. Claim your Fresh Start to **keep the benefits listed above** and get access to the benefits listed below.

Access to Income-Driven Repayment (IDR) Plans

Under an IDR plan, your monthly payment amount can be as low as $0. That's because on an IDR plan, your monthly payment is based on how much money you make (income) and your family size.

Access to Student Loan Forgiveness Programs

Defaulted loans are not eligible for any of our student loan forgiveness programs. But if you take advantage of Fresh Start, you'll get out of default status. Then you'll regain the ability to apply for forgiveness programs, including Public Service Loan Forgiveness.

Access to Short-term Relief (Forbearance and Deferment)

When you go into default, you lose access to short-term relief options, including forbearance and deferment. Because of Fresh Start, you'll be able to get out of default. Then you'll be able to request short-term relief, if you choose.

Which Loans Are Eligible

Eligible	Not eligible
• Defaulted William D. Ford Federal Direct Loan (Direct Loan) Program loans • Defaulted Federal Family Education Loan (FFEL) Program loans • Defaulted Perkins Loans held by ED	• Defaulted Perkins Loans held by schools • Defaulted Health Education Assistance Loan Program loans • Student loans remaining with the U.S. Department of Justice for ongoing litigation • Direct Loans that default after the end of the COVID-19 student loan payment pause • FFEL Program loans that default after the end of the COVID-19 student loan payment pause

Note: FFEL Program loans that default during the COVID-19 payment pause will be taken out of default as a result of the expansion of COVID-19 relief. These loans aren't eligible for Fresh Start.

Take Steps to Avoid Default

Avoid default. Take the time to fully understand your loan agreement and the types of loans you are receiving. It's also important that you not borrow more than you need or more than you expect to be able to repay. Develop a sound—and realistic—financial plan.

If your federal student loan is delinquent, check out the Student Loan Debt Collection Assistant, which the U.S. Department of Education developed in partnership with the Consumer Financial Protection Bureau. The tool provides information about how to access the full range of special repayment options available to you.

Understand Your Loan and Loan Agreement

Understand the type of aid you are receiving. Loans, unlike most grants, scholarships, or work-study funds, must be repaid.

- Know the type of loan you are receiving. Understand the costs of getting the loan, the interest rate, and the repayment terms for the loan.
- Read Know Before You Owe from the Consumer Financial Protection Bureau.
- Read your promissory note. It is a legal document. Signing a promissory note means you agree to repay the loan according to the terms of the note. You must repay all the loans you receive, even if you don't complete your education.

Manage Your Borrowing

Borrow only what you need to pay for your college expenses.

- Create a budget to determine how much you really need to borrow.
- Contact your school's financial aid office to request a lower loan amount instead of borrowing the maximum amount you might be eligible to receive.

Track Your Loans Online

Find information about all of your federal student loans by logging in to StudentAid.gov/aid-summary using your username and password (FSA ID).

Keep Good Records

Keep the following important documents in an organized file:

- Financial aid offers
- Amount(s) of all student loans you borrow
- Account number for each student loan you receive
- Loan servicer contact information
- Loan servicer contact information
- Payment schedules

- Record of your monthly payments
- Notes about any questions you ask about your student loan, the answers, and the name of the person to whom you spoke
- Deferment or forbearance paperwork and notes of any phone calls to the loan servicer
- Documentation that you paid your loan in full

Notify Your Loan Servicer

Tell your loan servicer when you

- need help making your monthly payments;
- graduate;
- withdraw from school;
- drop below half-time enrollment status at school;
- change your name, address, or Social Security number;
- transfer to another school; or
- experience a change in your life that might impact your loan payments.

What if I can't make my monthly payment?

If you are having trouble making your monthly payments, contact your loan servicer immediately. Your loan servicer can help you understand your options. You may be able to

- switch repayment plans to get a lower monthly payment,
- consider an income-driven repayment plan,
- change your payment due date, or
- get a deferment or forbearance.

Consider Simplifying Repayment with Consolidation

You might wish to combine your multiple federal student loans into a single Direct Consolidation Loan to simplify repayment. There may be tradeoffs, so understand the advantages and possible disadvantages of consolidation before you apply.

Loan Rehabilitation

You have multiple options to get out of default.

Fresh Start for Loans in Default

Eligible borrowers can use the Fresh Start initiative to easily get their loans out of default. Don't wait! It takes 10 minutes or less to work with us to request the full benefits of Fresh Start.

If you failed to make your payments on your federal student loan and now are in default, don't let the consequences of default affect your financial future. Find out how to get out of default.

One way to get out of default is to repay the defaulted loan in full, but that's not a practical option for most borrowers. The two main ways to get out of default are

1. rehabilitating your loan(s) and
2. consolidating your loan(s).

Compare Your Options

Loan rehabilitation takes several months to complete. But you can quickly apply for loan consolidation.

However, loan rehabilitation provides certain benefits that are not available through loan consolidation. Take a look at the chart below to compare the benefits of loan rehabilitation with the benefits of loan consolidation.

Benefit Regained	Loan Rehabilitation	Loan Consolidation
Eligibility for Deferment	Yes	Yes

Eligibility for Forbearance	Yes	Yes
Choice of Repayment Plans	Yes	Yes (but there may be limitations—see below)
Eligibility for Loan Forgiveness Programs	Yes	Yes
Eligibility to Receive Federal Student Aid	Yes	Yes
Removal of the Record of Default From Your Credit History	Yes (but see below)	No (see below for details)
Interest and Collection Costs Capitalize	No	Yes

Impact on Credit History

If you rehabilitate a defaulted loan, the record of the default will be removed from your credit history. However, your credit history will still show late payments that were reported by your loan holder before the loan went into default.

If you consolidate a defaulted loan, the record of the default (as well as late payments reported before the loan went into default) will remain in your credit history. Late payments will remain on your credit report for seven years from when they were first reported.

It's important that you fully understand loan rehabilitation and loan consolidation before making your decision. Learn more about loan rehabilitation and loan consolidation.

Impact on Repayment Plans

Unless you make three consecutive, voluntary, on-time, full monthly payments on a defaulted loan before you consolidate it, your choice of repayment plans for the new Direct Consolidation Loan will be limited to one of the income-driven repayment (IDR) plans. If you make three consecutive, voluntary, on-time, full monthly payments before consolidating, you can choose from any of the repayment plans available to Direct Consolidation Loan borrowers.

Rehabilitate Your Loans

One option for getting your loan out of default is loan rehabilitation. **To start the loan rehabilitation process, you must contact your loan holder.** If you're not sure who your loan holder is, you can log in and view your loan servicer details to get your loan holder's contact information.

What you need to do to rehabilitate your loan(s) depends on your loan type and who holds your loan. Loans in the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program have different requirements from loans in the Federal Perkins Loan Program.

Requirements for Direct Loans and FFEL Program Loans.

To rehabilitate a defaulted Direct Loan or FFEL Program loan, you must

- agree in writing to make nine voluntary, reasonable, and affordable monthly payments (as determined by your loan holder) within 20 days of the due date, and
- make all nine payments during a period of 10 consecutive months.

What is a reasonable monthly payment amount?

How do I rehabilitate an ED-held loan?

What can I do if I can't afford the monthly payment amount in my agreement?

Depending on your income, your monthly payment under a loan rehabilitation agreement could be as low as $5.

Collections During Loan Rehabilitation

Your loan holder may be collecting payments on your defaulted loan through wage garnishment or Treasury offset (taking all or part of your tax refunds or other government payments). These involuntary payments may continue even after you begin making payments under a loan rehabilitation agreement, but they can't be counted toward the required nine voluntary loan rehabilitation payments.

Involuntary payments may continue to be taken until your loan is no longer in default or until you have made some of your rehabilitation payments.

Once you have made the required nine payments, your loans will no longer be in default.

Requirements for Perkins Loans

To rehabilitate a defaulted Federal Perkins Loan, you must make a full monthly payment

- each month,
- within 20 days of the due date,
- for nine consecutive months.

Your required monthly payment amount is determined by your loan holder. Find out where to go for information about your Perkins Loan.

Benefits of Loan Rehabilitation

When your loan is rehabilitated, the default status will be removed from your loan, and collection of payments through wage garnishment or Treasury offset will stop.

You'll regain eligibility for benefits that were available on the loan before you defaulted, such as deferment, forbearance, a choice of repayment plans, and loan forgiveness. And you'll be eligible to receive federal student aid again.

Also, the record of default on the rehabilitated loan will be removed from your credit history. However, your credit history will still show late payments that were reported by your loan holder before the loan went into default.

If you rehabilitate a defaulted loan and then default on that loan again, you can't rehabilitate it a second time. **Rehabilitation is a one-time opportunity.**

Consolidate Your Loans

Another option for getting out of default is to consolidate your defaulted federal student loan into a Direct Consolidation Loan. Loan consolidation allows you to pay off one or more federal student loans with a new consolidation loan.

Apply to Consolidate

To consolidate a defaulted federal student loan into a new Direct Consolidation Loan, you must either

- agree to repay the new Direct Consolidation Loan under an IDR plan, or
- make three consecutive, voluntary, on-time, full monthly payments on the defaulted loan before you consolidate it.

Note: If you choose to make three payments on the defaulted loan before you consolidate it, the required payment amount will be determined by your loan holder. But the payment amount cannot be more than what is reasonable and affordable based on your total financial circumstances.

There are special considerations if you want to reconsolidate an existing Direct Consolidation Loan or Federal (FFEL) Consolidation Loan that is in default:

Reconsolidate a Defaulted Direct Consolidation Loan

To reconsolidate a defaulted Direct Consolidation Loan, you must also include at least one other eligible loan in the consolidation in addition to meeting one of the two requirements described above.

If you have no other eligible loans that can be included in the consolidation, you cannot get out of default by consolidating a defaulted Direct Consolidation Loan. Your options are repayment in full or loan rehabilitation.

Reconsolidate a Defaulted FFEL Consolidation Loan

You may reconsolidate a defaulted FFEL Consolidation Loan without including any additional loans in the consolidation, but only if you agree to repay the new Direct Consolidation Loan under an IDR plan.

If you include at least one other eligible loan in the consolidation, you're eligible to reconsolidate a defaulted FFEL Consolidation Loan if you meet either of the two requirements described above.

Wage Garnishment or Court Orders

If you want to consolidate a defaulted loan that is being collected through garnishment of your wages, or that is being collected in accordance with a court order after a judgment was obtained against you, you cannot consolidate the loan unless the wage garnishment order has been lifted or the judgment has been vacated.

Repayment Plans After Consolidating

If you choose to repay the new Direct Consolidation Loan under an IDR plan, you must select one of the available IDR plans at the time you apply for the consolidation loan and provide documentation of your income.

Note: If you want to consolidate a defaulted PLUS loan that you obtained as a parent to pay for your child's education, the only IDR plan you can choose is the Income-Contingent Repayment Plan (ICR).

If you choose to make three consecutive, voluntary, on-time, full monthly payments on your defaulted loan before you consolidate it, you may repay the new Direct Consolidation Loan under any repayment plan you are eligible for.

After your defaulted loan has been consolidated, your Direct Consolidation Loan will be eligible for benefits such as deferment, forbearance, and loan forgiveness. You'll also be eligible to receive additional federal student aid. But unlike loan rehabilitation, consolidation of a defaulted loan does not remove the record of the default from your credit history.

Learn more about consolidation.

Repay Your Loans in Full

A third option for getting out of default is to repay the full amount of your defaulted student loan.

If you need your loan holder's contact information to make a payment, log in and view your loan servicer details.

Regain Access to Federal Student Aid

When you go into default, you lose your eligibility for federal student aid. This means that if you go back to school, you can't get federal loans or grants to pay for your schooling.

But you can regain your access to federal student aid. To do so, you must make six monthly payments on your defaulted loan(s). Your loan holder will approve a reasonable and affordable amount for these monthly loan payments. And you must make these monthly payments

- consecutively (in a row)
- in the full amount approved by your loan holder, and
- on time.

After these six payments, you will become eligible for aid again. But your loan will still be considered in default status.

Get Help With Your Defaulted Loans

If you need help with your defaulted loan, you will need to contact the holder of your defaulted loan. To find out who holds your loan, log in and view your loan servicer details.

Note: StudentAid.gov does not include information about any private student loans you may have received. Contact the loan holder of your private student loans for loan information.

Loan Servicer Providers

What Loan Servicers Do

A loan servicer is a company that we assign to handle the billing and other services on your federal student loan on our behalf, at no cost to you. Your loan servicer will work with you on repayment options (such as income-driven repayment plans and loan consolidation) and will assist you with other tasks related to your federal student loans.

Keep your contact information up to date so your loan servicer can help you stay on track with repaying your loans. If your circumstances change at any time during your repayment period, your loan servicer will be able to help.

Loan Servicer Assignment

We will assign your loan to a loan servicer after your loan amount is first disbursed (paid out). Your loan servicer will contact you after that.

Identifying Your Servicer

The following are loan servicers for loans that the U.S Department of Education (ED) owns. To find out who your loan servicer is,

- visit your account dashboard and scroll down to the "My Loan Servicers" section, or
- call the Federal Student Aid Information Center (FSAIC) at 1-800-433-3243.

Loan Servicers

- FedLoan Servicing (PHEAA)
  1-800-699-2908
- Great Lakes Educational Loan Services, Inc.
  1-800-236-4300
- HESC/Edfinancial
  1-855-337-6884
- MOHELA
  1-888-866-4352
- Aidvantage
  1-800-722-1300
- Nelnet
  1-888-486-4722
- OSLA Servicing
  1-866-264-9762
- ECSI
  1-866-313-3797
- Default Resolution Group
  1-800-621-3115 (TTY: 1-877-825-9923 for the deaf or hard of hearing)

Whom to Contact for Loan Information

If your loan is for the current or upcoming school year, contact your school's financial aid office directly for information about

- loan status,
- the timeframes for cancelling all or part of your loan or loan disbursement, and
- loan disbursement amounts and timing.

Only your school's financial aid office can provide this information.

If your loan was disbursed in a past school year and you're still in school, keep your contact information up to date with your school and contact your loan servicer when you

- withdraw,
- graduate,
- drop below half-time enrollment, or
- stop going to school.

If you're no longer in school, contact your loan servicer when you

- change your name, address, or phone number;
- need help making your loan payment;
- have a question about your bill; or
- have other questions about your student loan.

Contact Information for Loans Not Owned by ED

If you have Federal Family Education Loan (FFEL) Program loans that are not owned by ED, contact your servicer for details about repayment options and tools. Not sure who your servicer is? Visit your account dashboard and scroll down to the "My Loan Servicers" section.

If you have Federal Perkins Loans that are not owned by ED, contact the school where you received your Federal Perkins Loan for details about repaying your loan. Your school may be the servicer for your loan.

If you have HEAL Program loans and you're not in default, contact your loan servicer for help with account-related questions. Use the contact information your loan servicer provided to you. Not sure who your servicer is? Look for the most recent communication from the entity sending you bills for your loan payments.

If you have HEAL Program loans and you're in default, contact the Debt Collection Center for help with account-related questions:

For mail sent via U.S. Postal Service:

Accounting Services, Debt Collection Center
Mailstop 10230B
7700 Wisconsin Avenue, Suite 8-8110D
Bethesda, MD 20857

For mail sent via UPS or FedEx:

HHS Program Support Center
Accounting Services, Debt Collection Center
Mailstop Seventh Floor
7700 Wisconsin Avenue, Suite 8-8110D
Bethesda, MD 20814
Phone: 301-492-4664

Understanding Loan Transfers

In some cases, we need to transfer loans from one servicer to another servicer. If we transfer your federal student loans from one servicer to another servicer, your loans will still be owned by ED. The "transfer" to another servicer simply means that a new servicer will provide the support you need to fully repay your loans.

Here's what you should expect if your loan is transferred to a new servicer:

- You will receive an email or a letter from your assigned servicer to inform you about the transfer.
- You will receive a welcome letter from the new servicer after the new servicer receives your loans. This notice will provide you with the contact information for the new servicer and inform you of actions that you may need to take.
- All of your loan information will be transferred from your assigned servicer to your new servicer, but you may only be able to see online information that covers the period since your new servicer took your loans over.
- There will be no change in the terms of your loans.
- Your previous loan servicer and new loan servicer will work together to make sure that all payments you make during the transfer process are credited to your loan account with the new servicer.

After you receive the welcome letter from your new servicer, you should do the following:

- Begin sending your loan payments to your new servicer. If you use a bank or bill paying service to make your loan payments, update the new servicer's contact information with the bank or bill paying service.
- Follow the new servicer's instructions for creating an online account so that you can more easily communicate with the new servicer and keep track of your loan account.

Avoid Paying for Federal Student Loan Assistance

You don't have to pay to receive help with loan services such as consolidating your federal student loans or applying for an income-driven repayment plan.

If you are contacted by a company asking you to pay "enrollment," "subscription," or "maintenance" fees to enroll you in a federal repayment plan or forgiveness program, you should walk away.

These services and more can be completed by your servicer for **free!**

Teacher Loan Forgiveness

Wondering whether you can get your federal student loans forgiven for your service as a teacher? Learn about the Teacher Loan Forgiveness Program to see whether you qualify.

Under the Teacher Loan Forgiveness Program, if you teach full time for five complete and consecutive academic years in a low-income school or educational service agency, and meet other qualifications, you may be eligible for forgiveness of up to $17,500 on your Direct Subsidized and Unsubsidized Loans and your Subsidized and Unsubsidized Federal Stafford Loans.

If you have a Direct Consolidation Loan or a Federal Consolidation Loan, you may be eligible for forgiveness of the outstanding portion of the consolidation loan that repaid an eligible Direct Subsidized Loan, Direct Unsubsidized Loan, Subsidized Federal Stafford Loan, or Unsubsidized Federal Stafford Loan.

Borrowers can't receive credit toward Teacher Loan Forgiveness and Public Service Loan Forgiveness (PSLF) for the same period. That means, if you seek and receive Teacher Loan Forgiveness, the five-year period of service that supported your eligibility will NOT count toward PSLF. We recommend that you consider whether you're interested in PSLF before deciding to pursue Teacher Loan Forgiveness, because we can't make changes once you receive forgiveness.

What are the eligibility requirements?

- You must not have had an outstanding balance on Direct Loans or Federal Family Education Loan (FFEL) Program loans as of Oct. 1, 1998, or on the date that you obtained a Direct Loan or FFEL Program loan after Oct. 1, 1998.
- You must have been employed as a full-time, highly qualified teacher for five complete and consecutive academic years, and at least one of those years must have been after the 1997–98 academic year.
- You must have been employed at an elementary school, secondary school, or educational service agency that serves low-income students (a "low-income school or educational service agency").
- The loan(s) for which you are seeking forgiveness must have been made before the end of your five academic years of qualifying teaching service.

Teaching for Less Than a Complete Academic Year

If you were unable to complete a full academic year of teaching, that year may still be counted toward the required five complete and consecutive academic years if

- you completed at least one half of the academic year; **and**
- your employer considers you to have fulfilled your contract requirements for the academic year for the purposes of salary increases, tenure, and retirement; **and**
- you were unable to complete the academic year because of one of the reasons listed below.

Reasons for Not Completing the Academic Year

The following reasons for not completing the academic year may allow it to be counted toward the required five complete and consecutive academic years:

- You returned to postsecondary education, on at least a half-time basis, in an area of study directly related to the performance of the teaching service described above.
- You had a condition covered under the *Family and Medical Leave Act of 1993* (FMLA).
- You were called or ordered to active duty status for more than 30 days as a member of a reserve component of the U.S. armed forces.

Who is considered a teacher?

A teacher is a person who provides direct classroom teaching, or classroom-type teaching in a nonclassroom setting. Special education teachers are considered teachers.

Am I a highly qualified teacher?

There are basic requirements that all teachers must meet to be considered highly qualified. There are also additional requirements that you must meet depending on whether you're an elementary or secondary school teacher, and whether you're new to the teaching profession.

Basic Requirements for All Teachers

To be a highly qualified teacher, you must have

- attained at least a bachelor's degree;
- received full state certification as a teacher; and
- not had certification or licensure requirements waived on an emergency, temporary, or provisional basis.

You're considered to have received full state certification even if you received your certification through alternative routes to certification or by passing the state teacher licensing examination.

If you're a teacher at a public charter school, you are considered to have received full state certification as a teacher if you meet the requirements set forth in the state's public charter school law.

Additional Requirements for Elementary School Teachers Who Are New to the Profession

To be considered highly qualified as an elementary school teacher who is new to the profession, you must also have demonstrated subject knowledge and teaching skills in reading, writing, mathematics, and other areas of the basic elementary school curriculum by passing a rigorous state test.

The rigorous state test may be a state-required certification or licensing test or tests in reading, writing, mathematics, and other areas of the basic elementary school curriculum.

Additional Requirements for Middle or Secondary School Teachers Who Are New to the Profession

To be considered highly qualified as a middle or secondary school teacher who is new to the profession, you must also have demonstrated a high level of competency in each of the academic subjects in which you teach.

To demonstrate a high level of competency, you may either

- pass a rigorous state academic subject test in each of the academic subjects in which you teach or
- successfully complete an academic major, a graduate degree, course work equivalent to an undergraduate academic major, or an advanced certification or credential in each of the academic subjects in which you teach.

The rigorous state test may be a state-required certification or licensing test or tests in each of the academic subjects in which you teach.

Additional Requirements for Elementary, Middle, or Secondary School Teachers Who Are Not New to the Profession

To be highly qualified as an elementary, middle, or secondary school teacher who is **not** new to the profession, you must also

- meet the applicable requirements for an elementary, middle, or secondary school teacher who is new to the profession or
- demonstrate competence in all the academic subjects in which you teach based on a high, objective, uniform state standard of evaluation.

The uniform state standard of evaluation may involve multiple, objective measures of teacher competency and must

- be set by the state for both grade-appropriate academic subject matter knowledge and teaching skills;
- be aligned with challenging state academic content and student academic achievement standards and developed in consultation with core content specialists, teachers, principals, and school administrators;
- provide objective, coherent information about your attainment of core content knowledge in the academic subjects in which you teach;
- be applied uniformly to all teachers in the same academic subject and the same grade level throughout the state;
- take into consideration, but not be based primarily on, the time you have been teaching in the academic subject; and
- be made available to the public upon request.

How do I know if I'm teaching at a low-income school or educational service agency?

The school or educational service agency must be listed in the *Teacher Cancellation Low Income (TCLI) Directory*, which is published by the U.S. Department of Education (ED) each year. To find out if your school or educational service agency is classified as low-income, search the directory database for the years you have been employed as a teacher. If the *TCLI Directory* is not available before May 1 of any year, the previous year's directory may be used for that year.

Any questions about the inclusion or omission of a particular school must be directed to the state education agency contact in the state where the school is located and *not* to ED. State education agencies are responsible for determining which schools or educational service agencies are eligible to be reported to ED for inclusion in the *TCLI Directory*.

If your school or educational service agency is included in the *TCLI Directory* for at least one year of your teaching service, but is not included during subsequent years, your subsequent years of teaching at the school or educational service agency will still be counted toward the required five complete and consecutive academic years of teaching. For example, if you taught at the same school for five complete and consecutive academic years from 2011–12 through 2015–16, but the school was included in the *TCLI Directory* only for the 2011–12 academic year, your subsequent four academic years of teaching at that school can still be counted toward the required five complete and consecutive academic years.

Teaching service performed at an educational service agency may be counted toward the required five years of teaching only if the consecutive five-year period includes qualifying service at an eligible educational service agency performed after the 2007–08 academic year.

All elementary and secondary schools operated by the Bureau of Indian Education (BIE)—or operated on Indian reservations by Indian tribal groups under contract with BIE—qualify as schools serving low-income students. These schools are qualifying schools for the purposes of this loan forgiveness program, even if they are not listed in the *TCLI Directory*.

How much loan forgiveness can I receive?

The maximum forgiveness amount is either $17,500 or $5,000, depending on the subject area taught. If you have eligible loans under both the Direct Loan Program and the FFEL Program, $17,500 or $5,000 is a combined maximum forgiveness amount for both programs.

You may receive up to $17,500 in loan forgiveness if you were

- a highly qualified full-time mathematics or science teacher who taught students at the secondary school level; or
- a highly qualified special education teacher (at either the elementary or secondary level) whose primary responsibility was to provide special

education to children with disabilities, and you taught children with disabilities that corresponded to your area of special education training and demonstrated knowledge and teaching skills in the content areas of the curriculum that you taught.

If you didn't teach mathematics, science, or special education, you may receive up to $5,000 in loan forgiveness if you were a highly qualified full-time elementary or secondary education teacher.

Can I receive loan forgiveness under both the Teacher Loan Forgiveness Program and the Public Service Loan Forgiveness Program?

You can potentially receive forgiveness under both the Teacher Loan Forgiveness Program and the Public Service Loan Forgiveness Program, but not for the same period of teaching service. For example, if you complete five consecutive years of qualifying teaching and receive forgiveness of your Direct Loans under the Teacher Loan Forgiveness Program, any payments you made on your Direct Loans during that five-year period cannot be counted toward the required 120 monthly payments for the Public Service Loan Forgiveness Program. To receive Public Service Loan Forgiveness, you would need to make 120 more qualifying monthly payments.

Teacher Loan Forgiveness and AmeriCorps Program Benefits

If you're an AmeriCorps Program volunteer, a period of teaching that qualifies you for a benefit through the AmeriCorps Program cannot be counted toward the required five consecutive years of teaching for the Teacher Loan Forgiveness Program.

Can I receive teacher loan forgiveness on my PLUS loans or Federal Perkins Loans?

PLUS loans for parents and graduate or professional students aren't eligible for this type of forgiveness.

Federal Perkins Loans aren't eligible for this type of forgiveness. However, the Perkins Loan program has a cancellation option for teachers and discharge programs for other specified workers and volunteers. You may be eligible to have all or a portion of your Federal Perkins Loan canceled or discharged (under certain conditions).

Am I eligible for teacher loan forgiveness if I'm in default on a loan?

If you're in default on a loan, you are not eligible for forgiveness of that loan unless you have made satisfactory repayment arrangements with the holder of the defaulted loan.

How and when do I apply for teacher loan forgiveness?

You apply for teacher loan forgiveness by submitting a completed *Teacher Loan Forgiveness Application* to your loan servicer after you have completed the required five consecutive years of qualifying teaching.

The chief administrative officer of the school or educational service agency where you performed your qualifying teaching service must complete the certification section. If you are applying for forgiveness of loans that are with different loan servicers, you must submit a separate form to each of them.

Public Service Loan Forgiveness (PSLF)

If you're employed by a government or not-for-profit organization, you might be eligible for the PSLF Program. The PSLF Program forgives the remaining balance on your Direct Loans

- after you've made the equivalent of 120 qualifying monthly payments under an accepted repayment plan, and
- while working full-time for an eligible employer.

How to Apply for PSLF

To be considered for PSLF, you only need to submit a PSLF form. The easiest way to do this is by using the PSLF Help Tool. The PSLF Help Tool allows you to:

1. Check to see if your employer is already in our employer database.
2. Request that your employer's eligibility be reviewed if it is not already in our database or has not yet had its eligibility determined.
3. Prepare and sign your PSLF form, and request certification and signature from your employer—all electronically.
4. Generate your PSLF form for manual signature and submission to the PSLF servicer (if electronic submission isn't possible).

Top tip: Certify your employment every year and any time you change employers. This lets you confirm you're on track toward forgiveness.

Qualifying for PSLF

To qualify for PSLF, you must

- be employed by a U.S. federal, state, local, or tribal government or qualifying not-for-profit organization (federal service includes U.S. military service);
- work full-time for that agency or organization;
- have Direct Loans (or consolidate other federal student loans into a Direct Loan);
- repay your loans under an income-driven repayment plan or a 10-year Standard Repayment Plan; and
- make a total of 120 qualifying monthly payments that need not be consecutive.

COVID-19 Payment Pause Counts Toward PSLF

Paused payments count toward PSLF and TEPSLF as long as you meet all other qualifications. You will get credit as though you made monthly payments.

Learn more about the COVID-19 payment pause and PSLF.

Qualifying Employment

Qualifying employment for PSLF isn't about the specific job that you do for your employer—it's about who you work for. Use our employer search tool to see if your employer qualifies for PSLF.

Which Employer Types Are Eligible

Eligible	Ineligible
• U.S.-based government organizations at any level (federal, state, local, or tribal) – this includes the U.S. military • Not-for-profit organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code • Other not-for-profit organizations that devote a majority of their full-time equivalent employees to providing certain qualifying public services	• For-profit organizations, including for-profit contracted organizations • Labor unions • Partisan political organizations

Note: Serving as a full-time AmeriCorps or Peace Corps volunteer also counts as qualifying employment for the PSLF Program.

Full-time Employment

For PSLF, full-time employment is working for a qualifying employer(s) for a weekly average, alone or when combined, equal to at least 30 hours:

- during the period being certified;
- throughout a contractual or employment period of at least 8 months in a year, such as elementary and secondary school teachers, in which case the borrower is deemed to have worked full time for the entire year; or
- determined by multiplying each credit or contact hour taught per week by at least 3.35 in non-tenure track employment at an institution of higher education.

Routine paid vacation or paid leave time provided by an employer, and leave taken under the *Family and Medical Leave Act of 1993* (29 U.S.C. 2612(a)(1)) is to be included when determining if you are working full-time.

Time spent on religious instruction, worship services, or any form of proselytizing as a part of your job responsibilities should be included when determining if you are working full-time.

However, time spent providing volunteer work or services for which you are not paid should not be included when determining if you are working full-time.

Eligible Loans

Any loan received under the William D. Ford Federal Direct Loan (Direct Loan) Program qualifies for PSLF.

Eligible	Ineligible
• Direct Subsidized Loans • Direct Unsubsidized Loans • Direct PLUS Loans • Direct Consolidation Loans	• Federal Family Education Loan (FFEL) • Federal Perkins Loan (Perkins Loan) • Student loans from private lenders

While a Direct PLUS loan made to a parent borrower is eligible for PSLF, it cannot be paid via a qualifying repayment plan (other than the 10-year standard repayment plan or a plan where the payment is equal or greater than the 10-year standard plan) unless it is first consolidated into a Direct Consolidation Loan.

FFEL and Perkins loans may become eligible if you consolidate them into a Direct Consolidation Loan.

Payment Credits on Consolidation Loans

If you consolidate your loans, the qualifying payments made on the Direct Loans (other loan types will not be considered) included in your consolidation loan will be credited to your consolidation loan using a weighted average of those payments. Borrowers are strongly encouraged to certify all their qualifying employment applicable to the loans before they are consolidated to ensure that weighted average is correctly applied.

For example, a borrower with 60 qualifying payments on a Direct Loan with a balance of $30,000 who consolidates their loan with another Direct Loan with a balance of $30,000 with zero qualifying payments will have a new qualifying payment count of 30 payments credited to the new consolidation loan.

As part of the payment count adjustment, ED will allow qualifying payments from all loans included in a Direct Consolidation Loan, including FFEL Program and Perkins loans, to contribute toward the qualifying payment count on the Direct Consolidation Loan. The payment count adjustment will not use a weighted average. See the payment count adjustment for additional details.

Because of recent changes to the law, borrowers will be able to separate joint consolidation loans. We're working on implementing these changes and will provide updates on our Joint Consolidation Loan Separation News page.

Qualifying Payments

A qualifying monthly payment is one you make while employed full-time by a qualifying employer (after October 1, 2007) at any time during that month

- while under a qualifying repayment plan, and
- for the full amount due as shown on your bill; or
- when you are in one of the accepted types of deferments or forbearance at any time during that month.

Note: as a result of the CARES Act, months that you were in repayment while the requirement to make a payment was paused, count as qualifying payments if you also certify your employment for the same period of time.

Your 120 qualifying monthly payments don't need to be consecutive. For example, if you have a period of employment with a nonqualifying employer, you will not lose the payment counts for prior qualifying payments you made.

The best way to ensure that you are making on-time, complete payments is to sign up for automatic debit with your loan servicer.

Which deferments and forbearances allow for qualifying payments?

What types of qualifying payments will be allowed for the payment count adjustment?

Can I make a qualifying payment while in a period of forbearance, deferment, or in a grace period?

Qualifying Repayment Plans

Qualifying repayment plans include all income-driven repayment (IDR) plans (plans that base your monthly payment on your income and household size) and the 10-year Standard Repayment Plan. The four IDR plans we offer include:

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

While payments made under the 10-year Standard Repayment Plan are qualifying payments, you might have to change to an IDR plan to benefit from PSLF. Under the 10-year Standard Repayment Plan, generally your loans will be paid in full once you have made 120 qualifying PSLF payments so there would be no balance left to forgive unless periods of qualifying deferments or forbearances are included in your 120 qualifying payments.

Not all borrowers qualify for every IDR plan. Your monthly payment amount could increase under these plans, depending on your income. You could pay off your loan before qualifying for forgiveness depending on the amount that you owe. Use the *Loan Simulator* to review your options.

The following repayment plans do not qualify for PSLF:

- **Standard Repayment Plan for Direct Consolidation Loans**
- **Graduated Repayment Plan**
- **Extended Repayment Plan**

PSLF Process

Because you have to make 120 qualifying monthly payments, it will take at least 10 years before you can qualify for PSLF.

Important: You must still be working for a qualifying employer at the time you submit your form for forgiveness.

Whether you have made 120 qualifying payments, or not, you should fill out and submit the PSLF form annually or whenever you change employers. Otherwise, you'll have to submit PSLF forms for each employer you worked for all at once. It could become difficult to contact those employers after such a long time or you could discover that some of your employers do not qualify.

Either way, we'll use the information you provide on the form to let you know if you are making qualifying PSLF payments. This will help you determine if you're on the right track as early as possible.

PSLF Form Process and Contact Info

After you submit a PSLF Form and the PSLF servicer confirms you have a qualifying employer and qualifying loans, your loans will transfer to the PSLF servicer. Once the PSLF servicer determines how many qualifying payments you made during the employment period on your form, you'll receive a letter telling you the number of qualifying payments you have made.

The number of qualifying payments you have made will be updated **only** when you submit another PSLF form that documents a new period of qualifying employment.

Once your cumulative total of qualifying payments reaches 120, the PSLF servicer will confirm your eligibility and forgive your remaining balance.

You can find out how many qualifying payments you've made by logging in to your account with the PSLF servicer and viewing your loan details or by looking on your most recent billing statement.

How to Submit the PSLF Form

You can submit the PSLF form digitally through the PSLF Help Tool or manually, using a paper form.

COMMUNITY BEHAVIORAL HEALTH CARE PROFESSIONAL LOAN REPAYMENT PROGRAM

The Community Behavioral Health Care Professional Loan Repayment Program is intended to provide loan repayment assistance to qualified mental health and substance abuse professionals in an effort to recruit and retain them to practice in underserved or rural areas and to address this State's community-based behavioral health care workforce shortage that causes disparities in access to critical mental health and substance use services.

The amount repaid by ISAC should not be more than the borrower's remaining balance on all eligible educational loans minus any grant payment made under this Part that was not used to pay the loan holder and should not exceed:

1) $35,000 per year for a psychiatrist;
2) $15,000 per year for an advanced practice registered nurse or a physician assistant;
3) $12,000 per year for a psychologist who holds a doctoral degree;
4) $6,500 per year for a licensed clinical social worker or a licensed clinical professional counselor; and
5) $2,500 per year for a substance use professional.

Eligibility

To be eligible, applicant must be:

1) a resident of Illinois;
2) a United States citizen or eligible noncitizen;
3) a borrower with an outstanding balance due on an eligible educational loan;
4) an individual who is not in default on a federally guaranteed educational loan and does not owe a refund on a grant or scholarship program administered by ISAC;
5) a qualifying behavioral health professional who meets licensing requirements of the Department of Financial and Professional Regulation or certification as a Certified Alcohol and Drug Counselor from the Illinois Alcoholism and Other Drug Abuse Professional Certification Association;
6) an individual who, for at least 12 consecutive months prior to applying for the grant, has worked as a behavioral health professional in a community mental health center in an underserved or rural HPSA mental health discipline; and
7) an individual who, for each year during which a grant is received, fulfills a separate 12 month period as a behavioral health professional in a community mental health center in an underserved or rural HPSA mental health discipline.

How to Apply

Applications are available on ISAC's website and at ISAC's Springfield, Deerfield Offices.

Illinois Teachers Loan Repayment Program

The number of awards made through this program, as well as the individual dollar amount awarded, are subject to sufficient annual appropriations by the Illinois General Assembly and the Governor.

The Illinois Teachers Loan Repayment Program provides awards to encourage academically talented Illinois students to teach in Illinois schools in low-income areas. A listing of Illinois schools in low-income areas is provided at the U.S. Department of Education's Teacher Cancellation Low Income Directory. If these obligations are met by a Federal Stafford loan borrower who has qualified for the federal government's loan forgiveness programs, Illinois may provide an additional matching award of up to $5000 to the qualifying teacher to repay their student loan debt.
Although the Illinois program was initially available also to child care providers, the federal Child Care Provider Loan Forgiveness Program received no funding beyond the demonstration program, and does not accept applications. Consequently, there is no application for the Illinois Child Care Providers Program.

Eligibility

To be eligible, you must:

- Be a U.S. citizen or an eligible non-citizen
- Be an Illinois resident
- Be a borrower who has had an amount of your educational loans forgiven under the federal government's loan forgiveness programs
- Have a balance remaining on your eligible student loan(s)
- Have fulfilled your five-year teaching obligation in an Illinois elementary or secondary school designated as a low-income school.

How to Apply

To apply, you must obtain a current Illinois Teachers Loan Repayment Application. You may download and print an application. You must submit the application, along with any required documentation, to ISAC's Deerfield office as indicated on the application. Required documentation includes, but is not limited to, a copy of your completed federal Teacher Loan Forgiveness application and a copy of the letter indicating you have been approved for the federal program. See the application for a description of all required documentation. The completed application (including all required corresponding documentation) must be submitted to ISAC **within six (6) months of the date on the Notice of Federal Teacher Loan Forgiveness eligibility** from the federal government.

How Funds Are Awarded and Disbursed

The total amount of awards each year is contingent upon available funding. If funding in any given year is insufficient to pay all eligible applicants, awarding will be based on the date the complete application (with all required documentation) is received at ISAC's Deerfield office.

There is a minimum 4-5 week turnaround from the date approved recipients are notified by ISAC to when funds are disbursed. Depending on the volume of payment vouchers being processed by the State of Illinois Comptroller's Office, this timeframe may increase. Proceeds will be remitted directly to the holder/servicer/lender of the loan(s) to be repaid.

Processing Updates

Note that ISAC routinely updates this section as new information becomes available. Be sure to check back periodically for the current processing status.

For the 2022 Fiscal Year

(*last updated on July 7, 2021*):

ISAC is accepting Illinois Teachers Loan Repayment Program applications for the 2022 fiscal year (July 1, 2021 – June 30, 2022).

Because the Illinois Teachers Loan Repayment Program application must be submitted within six months of the date of the Notice of Federal Teacher Loan Forgiveness eligibility, we encourage you to complete and submit this application as soon as possible in order to ensure the deadline is not missed.

Allow at least 4-6 weeks for the processing of the application, at which time you will be notified by ISAC regarding your eligibility status. There is a minimum 4-5 week turnaround from the date approved recipients are notified by ISAC to when funds are disbursed. Depending on the volume of payment vouchers being processed by the State of Illinois Comptroller's Office, this timeframe may increase.

John R. Justice Student Loan Repayment Program

The number of awards made through this program, as well as the individual dollar amount awarded, are subject to sufficient annual appropriations by the federal government.

The John R. Justice Student Loan Repayment Program provides for the payment of eligible educational loans (both Federal Family Education Loan Program [FFELP] and Federal Direct Loans) for state and federal public defenders and state prosecutors who agree to remain employed as public defenders and prosecutors for at least three years. The annual awards to qualified defenders and prosecutors may be up to $4,000 (dependent on funding), up to an aggregate total of $60,000, to repay their student loan debt. If the employment commitment is not fulfilled, any amount received must be repaid.

Eligibility

To be eligible, you must:

- be a U.S. citizen or an eligible non-citizen
- have an outstanding balance due on an eligible FFELP and Direct educational loan(s) (includes Federal Stafford loans, Graduate PLUS loans, and consolidation loans) and Federal Perkins loans
- be an attorney (or have accepted an employment offer) continually licensed to practice law, and
    - a full-time employee of the state of Illinois or unit of local government (including tribal government) who prosecutes criminal or juvenile delinquency cases at the state or unit of local government level, including supervision, education, or training of other persons prosecuting such cases. (Prosecutors who are employees of the federal government are not eligible.), or
    - a full-time employee of the state of Illinois or unit of local government (including tribal government) who provides legal representation to indigent persons in criminal or juvenile delinquency cases including supervision, education or training of other persons providing such representation, or
    - a full-time employee of an nonprofit organization operating under a contract with Illinois or unit of local government who devotes substantially all of the employee's full-time employment to providing legal representation to indigent persons in criminal or juvenile cases including supervision, education, or training of other persons providing such representation, or

    - employed in Illinois as a full-time federal defender attorney in a defender organization pursuant to Subsection (g) of section 3006A of Title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases.
- not be in default on an federal guaranteed educational loan, nor owe a refund on any scholarship or grant program administered by the Illinois Student Assistance Commission (ISAC).

How to Apply

To apply for this program, all applicants must submit a complete John R. Justice Student Loan Repayment Program Application (including all required documentation) to ISAC by the published due date. In addition to the application, all applicants must complete either a 1) Service Agreement, 2) Service Agreement – Secondary Term of Service, or 3) Service Agreement – Acknowledgment of Benefit. See the Checklist on page 9 of the application packet to determine the appropriate form for completion. For each subsequent year you wish to apply, a separate application must be completed. When being accepted (typically in February or March). You must submit your application and service agreement to ISAC's Deerfield office as indicated on the application.
If your application and/or service agreement are incomplete, ISAC will notify you and you will have the opportunity to furnish missing information. Your application will be considered for processing as of the date it is complete and all required information has been received at ISAC's Deerfield office.

How Funds are Awarded and Disbursed

Recipients are selected from among qualified new applicants, as well as those who file timely renewal applications by the published due date. The total amount of awards each year is contingent upon available funding. Applications received after the due date will only be considered if funding remains. First preference will be given to renewal applicants provided that the recipient continues to meet the eligibility requirements. Additionally, applicants not receiving benefits under another program that provides loan repayment assistance for the eligible loans covered by the Justice Program will receive priority consideration.
Allocation of program funds is equally distributed between prosecutors and public defenders. A formula that ranks each applicant according to ability to repay their student loans is used to distribute awards within each of five statewide appellate districts and a sixth category for statewide prosecutors (assistant attorneys

general and assistant appellate prosecutors). The amount of the award is also determined by the formula.

The amount of funding for each of the five appellate districts is allocated according to the number of prosecutors and defenders in each district, based on the percentage of the state's total number of prosecutors and public defenders that are employed within each of the districts. Funding for the additional statewide prosecutor category is based on the percentage of the total number of prosecutors that are employed in a statewide capacity.

The award amount is based on the applicant's remaining balance on eligible educational loans, not to exceed $4,000 per year (depending on available funds, the maximum award may be less than $4,000 in any given year). Proceeds will be remitted directly to the holder(s) of the loan(s) to be repaid in a one-time payment. Recipients must contact the loan holder(s) to arrange for payment to be applied to the loan(s). Responsibility for making the monthly loan payments and fulfilling the terms of the repayment agreement remains with the recipient.

If you qualify for the Public Service Loan Forgiveness (PSLF) program or any other loan assistance repayment program(s), we recommend that you contact the Direct Student Loan Servicer or administrator of the program(s) to determine how funds from the Justice program will impact your eligibility.

While the Bureau of Justice Assistance (BJA) does not provide legal advice on possible tax obligations resulting from the receipt of Justice Program benefits, BJA offers the following for informational purposes only (recipients remain responsible for, and should consult with their tax advisors regarding, any tax obligations resulting from benefits paid on their behalf):

- *As a courtesy to Justice Program beneficiaries and state administering agencies, BJA has requested information from the Internal Revenue Service (IRS) that may be helpful in determining tax consequences of Justice Program benefits. Copies of the BJA inquiry and the IRS response are* available on the BJA website.

Processing Updates

Note that ISAC routinely updates this section as new information becomes available. Be sure to check back periodically for the current processing status.

2020-21 (October 1, 2020 – September 30, 2021)

(*last updated on March 17, 2021*):

ISAC is no longer accepting 2020-21 John R. Justice Student Loan Repayment Program applications.
Qualified applicants whose complete applications were received by ISAC on or before the March 16, 2021 published due date will be notified of the awarding results once awarding takes place later this year.
Due to limited funding ($56,642 for 2020-21), it is expected that awards will be significantly less than $4,000 in order to serve as many recipients as possible.

Nurse Educator Loan Repayment Program

The number of awards made through this program, as well as the individual dollar amount awarded, are subject to sufficient annual appropriations by the Illinois General Assembly and the Governor.

In an effort to address the shortage of nurses and the lack of instructors to staff courses teaching nursing in Illinois, the Nurse Educator Loan Repayment Program encourages longevity and career change opportunities. The program is intended to pay eligible loans to add an incentive to nurse educators in maintaining their teaching careers within the State of Illinois. The annual awards to qualified nurse educators may be up to $5,000 to repay their student loan debt, and may be received for up to a maximum of four years.

Eligibility

To be eligible, you must:

- Be a U.S. citizen or an eligible non-citizen
- Be an Illinois resident
- Have an outstanding balance due on an eligible educational loan (includes Stafford Loans, Graduate PLUS Loans, consolidation loans, nursing student loans, Supplemental Loans for Students, alternative loans, and other types of government and institutional loans used for nursing education expenses)
- Be a nurse educator who meets licensing requirements of the Illinois Department of Financial and Professional Regulation
- Meet the following nursing instruction requirements:
    - *If a first-time recipient,* have taught for at least 12 consecutive months prior to the date of application in an approved program of professional or practical nursing education in Illinois, *or*
    - *If other than a first-time recipient,* fulfill a separate 12 consecutive month period of teaching in an approved program of professional or practical nursing education in Illinois for each subsequent award received
- Not be in default on any federal guaranteed educational loan, nor owe a refund on any scholarship or grant program administered by the Illinois Student Assistance Commission (ISAC).

How to Apply

Each year you wish to apply for this program, you must submit a Nurse Educator Loan Repayment Application to ISAC. You may download and print an application. Applications are also available at all Illinois approved institutions that have practical or professional nursing programs, and at ISAC's Deerfield, Springfield and Chicago offices. You must submit your application to ISAC's Deerfield office as indicated on the application. Allow at least four weeks for the processing of the application. Qualified applicants will be sent a Notice of Eligibility letter from ISAC.

You must submit an original letter from your employer with each year's application, verifying that you meet the nursing instruction requirements. The letter must:

- be on school/employer letterhead;
- state that you have worked (and continue to work) at an approved Illinois institution as a nurse educator who instructs professional or practical nurses; and,
- include the specific starting and ending dates for the period of employment that fulfills the 12-month teaching requirement *for that year's application* (for example: "July 1, 2020 – June 30, 2021" or "July 20, 2020 – July 19, 2021").

If your application is incomplete, ISAC will notify you and you will have the opportunity to furnish missing information. Your application will be considered for processing as of the date it is complete and all required information (including the letter from your employer, as referenced above) has been received at ISAC's Deerfield office.

Renewal applicants must submit an application each year, and may also be required to submit a history of prior awards in order to demonstrate that program proceeds were used for eligible educational loans.

How Funds Are Awarded and Disbursed

Recipients are selected from among qualified new applicants, as well as those who file timely renewal applications. The total number of awards each year is contingent upon available funding. If funding in any given year is insufficient to pay all eligible applicants, awarding will be based on the date the complete application (with all required documentation) is received at ISAC's Deerfield office.

Award amounts are based on the applicant's remaining balance on eligible education loans, not to exceed $5,000 per year. There is a minimum of 4-5 weeks turnaround from the date approved recipients are notified by ISAC to when funds are disbursed. Depending on the volume of payment vouchers being processed by the State of Illinois Comptroller's Office, this timeframe may increase. Proceeds will be remitted directly to the holder/servicer/lender of the loan(s) to be repaid.

Processing Updates

Note that ISAC routinely updates this section as new information becomes available. Be sure to check back periodically for the current processing status.

For the 2022 Fiscal Year

(*last updated on July 7, 2021*):

ISAC is accepting Nurse Educator Loan Repayment Program applications for the 2022 fiscal year (July 1, 2021 – June 30, 2022).

Allow at least 4-6 weeks for the processing of the application, at which time you will be notified by ISAC regarding your eligibility status.

Approved Programs of Professional or Practical Nursing Education in Illinois

In order to qualify for this program, an applicant must meet the nursing instruction requirements (outlined in the above Eligibility section) in an approved program of professional or practical nursing education in Illinois.

PUBLIC INTEREST ATTORNEY LOAN REPAYMENT ASSISTANCE PROGRAM

The Public Interest Attorney Loan Repayment Assistance Program provides loan repayment assistance to practicing attorneys to encourage them to pursue careers as public interest attorneys to protect the rights of this State's most vulnerable citizens or provide quality enforcement of State law. The amount repaid by ISAC should not be more than the borrower's remaining balance on all eligible educational loans minus any grant payment made under this Part that was not used to pay the loan holder and should not exceed:

Loan repayment assistance is in the form of a forgivable loan. The amount for a recipient will not exceed $6,000 per year, up to a maximum of $30,000 during the recipient's care

Eligibility

To be eligible, applicant must be:

1. a United States citizen or eligible noncitizen;
2. a licensed member of the Illinois Bar in good standing;
3. a borrower with an outstanding balance due on an eligible educational loan;
4. an applicant who is not in default on a federal guaranteed educational loan or owes a refund on a grant or scholarship program administered by ISAC; and
5. employed as a public interest attorney with a qualifying employer in Illinois.

How to Apply

All applicants annually must complete an ISAC application/promissory note for the loan repayment program. The qualified applicant must sign a promissory note that stipulates the loan repayment assistance is in the form of a forgivable loan. The application/promissory note is available at ISAC's web site and ISAC's Springfield, Deerfield and Chicago offices.

Veterans' Home Medical Providers' Loan Repayment Program

The number of awards made through this program, as well as the individual dollar amount awarded, are subject to sufficient annual appropriations by the Illinois General Assembly and the Governor.

The Veterans' Home Medical Providers' Loan Repayment Program provides for the payment of eligible educational loans as an incentive for medical providers to pursue and continue their careers at State of Illinois veterans' homes. The annual award to qualified physicians, certified nurse practitioners, registered professional nurses, certified nursing assistants and licensed practical nurses may be up to $5,000 to repay their student loan debt. This award may be received for up to a maximum of four years.

Eligibility

To be eligible, you must:

- Be a U.S. citizen or an eligible non-citizen
- Be an Illinois resident
- Have an outstanding balance due on an eligible educational loan (includes Stafford Loans, Graduate PLUS Loans, consolidation loans, Supplemental Loans for Students, alternative loans, and other types of government and institutional loans used for medical education expenses)
- Be a medical provider who meets licensing requirements of the Illinois Department of Financial and Professional Regulation or a certified nursing assistant who passed the state-specified examinations to be fully certified
- Be a medical provider who has completed the prescribed employment probationary period and whose employment is in good standing as determined by the Illinois Department of Veterans' Affairs
- For each year during which an award is received, fulfill a separate 12 month period as a physician, certified nurse practitioner, registered professional nurse, certified nursing assistant or licensed practical nurse in an approved State of Illinois veterans' home (approved veterans' homes for purposes of this program are located in Anna, LaSalle, Manteno and Quincy, Illinois)
- Not be in default on any federal guaranteed educational loan, nor owe a refund on any scholarship or grant program administered by the Illinois Student Assistance Commission (ISAC).

How to Apply

Each year you wish to apply for this program, you must submit a Veterans' Home Medical Providers' Loan Repayment Program Application to ISAC. You may download and print an application. Applications are also available at all State of Illinois veterans' homes and at ISAC's Deerfield, Springfield and Chicago offices. You must submit your application to ISAC's Deerfield office as indicated on the application. Allow at least four weeks for the processing of the application. Qualified applicants will be sent a Notice of Eligibility letter from ISAC.

If your application is incomplete, ISAC will notify you and you will have the opportunity to furnish missing information. Your application will be considered for processing as of the date it is complete and all required information has been received at ISAC's Deerfield office.

Renewal applicants must submit an application each year, and may also be required to submit a history of prior awards in order to demonstrate that program proceeds were used for eligible educational loans.

How Funds Are Awarded and Disbursed

Recipients are selected from among qualified new applicants, as well as those who file timely renewal applications. The total number of awards each year is contingent upon available funding. If funding in any given year is insufficient to pay all eligible applicants, awarding will be based on the date the complete application (with all required documentation) is received at ISAC's Deerfield office. Preference may be given to renewal applicants provided that the recipient continues to meet the eligibility requirements.

The award amount is based on the applicant's remaining balance on eligible education loans, not to exceed $5,000 per year. There is a minimum of 4-5 weeks turnaround from the date approved recipients are notified by ISAC to when funds are disbursed. Depending on the volume of payment vouchers being processed by the State of Illinois Comptroller's Office, this timeframe may increase. Proceeds will be remitted in multiple disbursements directly to the holder of the loan(s) to be repaid.

Processing Updates

Note that ISAC routinely updates this section as new information becomes available. Be sure to check back periodically for the current processing status.

For the 2022 Fiscal Year

(*last updated on July 7, 2021*):

ISAC is accepting Veterans' Home Medical Providers' Loan Repayment Program applications for the 2022 fiscal year (July 1, 2021 – June 30, 2022).

Allow at least 4-6 weeks for the processing of the application, at which time you will be notified by ISAC regarding your eligibility status. There is a minimum of 4-5 weeks turnaround from the date approved recipients are notified by ISAC to when funds are disbursed. Depending on the volume of payment vouchers being processed by the State of Illinois Comptroller's Office, this timeframe may increase.

Illinois Tax Benefits for Education

Student Loan Interest

Only the interest amount is deductible. Since the interest amount decreases slightly with each payment on the principal, determine the average monthly interest payment by dividing what the person is expected to pay in interest annually by 12. Document how the average was determined. For verification, use any document that confirms that the client is paying a student loan and identifies the interest amount separately from the principal, such as the loan payment book or other document from the lender.

Deductions With Annual Caps: **Student loan interest ($2,500)**

Meet Aidan®

https://studentaid.gov/h/aidan

Introducing Aidan, a virtual assistant that can answer questions about federal student aid. Aidan uses advanced technology—artificial intelligence and natural language processing—to answer your most common questions. Whether you want to find out your current loan account balance, learn more about grants, or get help contacting your loan servicer, Aidan is here to help you find an answer. On StudentAid.gov, you can access Aidan by clicking the "Aidan" owl icon in the bottom right-hand corner.

Aidan can currently assist you with the following tasks:

Answering your common financial aid questions

You could type: "What kind of grants are available to pay for college?"

Finding pages quickly on our website

Just type: "Where is ..."

Retrieving loan balance on your account

Simply type: "What is my account balance?"

Making a payment on the spot

You could type: "Make a payment"

Understanding your repayment plan

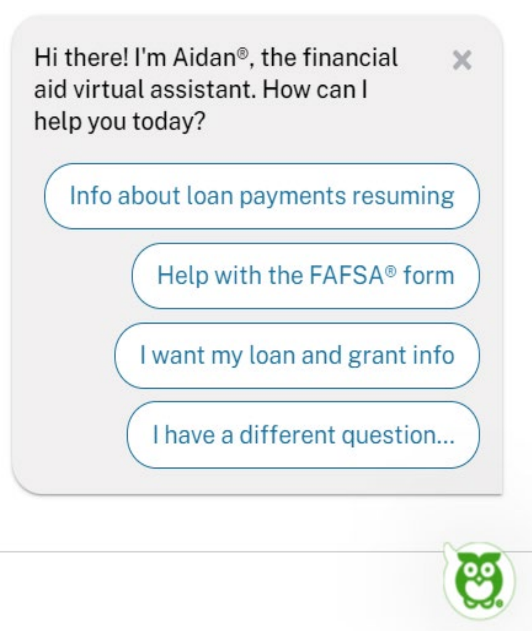
You could type: "What's my repayment plan?"

Finding customer support information

You can type: "Find contact info"

Finding your loan servicer(s)

Type: "Who is my servicer?"



Manage Loans

Navigate the student loan repayment process with confidence: make payments, change repayment plans, explore options, and get help.

Understanding Student Loan Repayment

Learn about federal student loan repayment based on where you are in the process.

I'm Starting School or In School

I'm in the process of earning a degree or certificate.

Complete Entrance Counseling

Estimate Your Payments

I'm About to Graduate or Leave College

I'm completing my program or taking a break from school.

Complete Exit Counseling

Update Your Contact Info

I Just Graduated or Left School

I'm in my grace period and preparing to repay my loan.

Find Your Loan Servicer

Estimate Your Payments

Choose a Repayment Plan

I'm in Repayment

I've begun repaying my loan.

Make Your Next Payment

Consolidate Your Loans

Understand Loan Forgiveness

Complete the Public Service Loan Forgiveness (PSLF) Form With the PSLF Help Tool

Use the PSLF Help Tool to confirm you're eligible and fill out and submit your PSLF form.

Using the PSLF Help Tool

PSLF is a program for people who work in public service in federal, state, tribal, or local government, or for a non-profit organization.

Use the PSLF Help Tool to search for a qualifying employer, learn what actions you may need to take to become eligible for PSLF or TEPSLF, and generate a PSLF form. You will need to provide an email address for an authorized official who can certify your employment and sign your form.

After you submit your PSLF form to MOHELA, if you have Direct Loans and work for a qualifying employer, you will receive a count of the number of qualifying payments you have made toward both PSLF and TEPSLF.

A note about one-time IDR Account Adjustments: Past periods of repayment, deferment, and forbearance might count toward your IDR forgiveness and impact PSLF.

Log In To Start

Search for Qualifying Employers

Who should complete this?

This tool is for all borrowers who are interested in PSLF or TEPSLF. There is now only a single form that you need to complete to certify employment, or to receive PSLF or TEPSLF.

30 Minutes

How long will it take?

Most people complete the PSLF Help Tool process in less than 30 minutes. The process must be completed in a single session.

What do I need?

Your most recent W-2 from your employer(s)

OR

Your employer's Federal Employer Identification Number (EIN)