

## Federal Loan Repayment Plans

PLAN	TERM	PAYMENTS	PROS	CONS
<b>Standard</b>	10 years	-120 Fixed monthly payments of at least \$50	-Quickest way to repay loans -You will pay less interest on your loan over time	-Does not consider income or family size to calculate monthly payment
<b>Graduated</b>	10 years	-Monthly payments start low and increase every two years	-Provides opportunity for monthly payments to increase as income rises -Allows flexibility in changing payment amounts	-You will pay more for your loan over time -Monthly payments steadily increase every 2 years
<b>Extended</b> <i>For borrowers with over \$30,000 in debt</i>	25 years	-Reduced monthly payments that are spread over a greater period  -Payments may be fixed or graduated	-Monthly payments will be lower than the standard plan  -Easy to request plan via phone, email, or online account access	-Takes longer to pay back  -You will pay more for your loan over time  -Does not consider income or family size to calculate the monthly payment
<b>Income-Based (IBR)</b> <i>Must have partial financial hardship to qualify, determined by Federal Student Aid</i>	25 years	-Payments change as your income changes  -Maximum payment will be 15% of your discretionary income*  -IBRinfo.org for calculator to see if you qualify	-Lower monthly payments that are adjusted annually  -Payments are based on income and family size  -Payments eligible for Public Service Loan Forgiveness  -Provides loan forgiveness of remaining balance after 25 years	-You will pay more for your loan over time  -Monthly payments may be less than accrued interest  -Unpaid interest capitalized if you leave the plan  -Annual application required  -Must pay taxes on the amount forgiven
<b>Pay As You Earn</b> <i>Must have partial financial hardship to qualify, determined by Federal Student Aid</i>	20 years	-Payments change as your income changes  -Maximum payment will be 10% of your discretionary income*	-Lower monthly payments that are adjusted annually  -Payments are based on income and family size  -Payments eligible for Public Service Loan Forgiveness  -Provides loan forgiveness of remaining balance after 20 years	-You will pay more for your loan over time  -Annual application required  -Must pay taxes on the amount forgiven
<b>Income-Contingent (ICR)</b> <i>For those who do not qualify for IBR or Pay As Your Earn</i>	25 years	-Payments change as your income changes  -Payments are based on income, family size, and total amount borrowed	-Lower monthly payments that are adjusted annually  -Ten percent capitalization benefit  -Payments eligible for Public Service Loan Forgiveness  -Provides loan forgiveness of remaining balance after 25 years	-You will pay more for your loan over time  -Monthly payments may be less than accrued interest  -Unpaid interest capitalized if you leave the plan  -Annual application required  -Must pay taxes on the amount forgiven

\*Discretionary Income is your adjusted gross income minus the poverty guidelines for your family size

For additional detailed information regarding the federal loan repayment plans, please visit [www.studentaid.gov](http://www.studentaid.gov).

Contact your loan servicer to discuss repayment plan options.