

Income Driven Repayment (IDR) Plan



Program Overview

How does this work?

- To be eligible for Public Service Loan Forgiveness, you must be enrolled in an IDR plan
- Must re-enroll every year: your spouse will need to co-sign if you are married
- There are several different options—each plan is based on a percentage of your discretionary income

If married and file taxes separately, payment is based only on your individual income

- **PAYE:** 10% of your discretionary income—never more than a 10-year standard
- **IBR:** 10% of your discretionary if you borrowed on or after 7/1/14; 15% if borrowed prior
- **ICR:** The lesser of: 20% of your discretionary income or what your payment would be on 12 year fixed plan, adjusted to your income—Only option for Direct Parent Plus Loans
- **REPAYE:** 10% of your discretionary income—no income limits, always factors household income

How do I know if I am eligible?

- You have federal loans

What do I do next?

Use your FSA ID and password to log into www.studentloans.gov

- To estimate your payments, use the “repayment estimator” on the bottom right hand side of your home page
 - Select “Show Payment under Public Service Loan Forgiveness”—IDR options will cap out at 120 payments, with any remaining balance being forgiven
 - If you use the repayment estimator while you still have FFEL loans, not all IDR plans will be available until after you consolidate

If you have all DIRECT federal loans

- Select “Apply for an Income Driven Repayment Plan” on your home page
- Gather the required personal and financial information referenced on the following page
- Complete the online IDR plan request*
- If applicable, your spouse will need to co-sign the application

If you have ANY FFEL loans

- Select “Apply for a Consolidation Loan” on your home page
- Gather the required personal and financial information referenced on the following page
- Complete the online application
- Only consolidate FFEL, not existing Direct Loans
- You will be able to enroll in an IDR plan at the end of your application*
- If applicable, your spouse will need to co-sign the application

*There is an option on the application to automatically enroll you in the IDR plan that results in the lowest monthly payment



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