

Federal Loan Repayment Plans At A Glance 2023-2024

Balance-Driven Plans



Balance-driven plans set your monthly payment based on your total student loan debt, interest rate, and a term length of either 10 or 25 years. You do not have to certify your income each year with your loan servicer to use these plans.

PLAN	ELIGIBLE LOAN TYPES	ELIGIBILITY REQUIREMENTS	MONTHLY PAYMENT DETERMINED BY	REPAYMENT TIMEFRAME	NOTABLE ITEMS
Standard	Direct and Federal Family Education Loan (FFEL) Program Loans	N/A	Total debt, interest rate and length of repayment Equal payments over repayment term	10 years	This is the default repayment plan Payments can be higher than other repayment plans but will potentially result in less interest paid over time
Graduated	Direct and FFEL Loans	N/A	Total debt, interest rate and length of repayment Payments will begin lower and increase every two years throughout the repayment term	10 years	Initial payments will never be less than the amount of interest that accrues and subsequent increases will never be more than three times greater than the prior payment
Extended	Direct and FFEL Loans	Borrowers must have a minimum of \$30,000 in FFEL or Direct loans to extend loan repayment	Total debt, interest rate and length of repayment Two options: equal monthly payments over repayment term or graduated payments that begin lower and increase over time every five years	25 years	Longer repayment term will result in greater interest paid

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Income-Driven Plans



Income-driven repayment plans set your monthly payment based on your discretionary income, which your loan servicer calculates when you submit the Income-Driven Plan (IDR) Plan Request at StudentAid.gov/IDR each year.

PLAN	PLAN UPDATES	LOAN TYPES <small>*See note</small>	ELIGIBLE BORROWERS	MARRIED BORROWERS	% OF DISCRETIONARY INCOME	YEARS TO FORGIVENESS <small>After X years of qualifying payments</small>
Income-Contingent (ICR)	No new enrollments for students. Available only to future borrowers with consolidated Parent PLUS loans.	Direct Consolidation loans that repaid Parent PLUS are eligible	Parent PLUS borrowers who consolidate into a Direct Consolidation Loan	Joint Tax Return = Combined debt + combined income Separate Tax Return = Your debt + your income <i>(plus option for joint repayment)</i>	The lesser of 20% of discretionary income or a 12-year fixed payment (adjusted according to income)	<p>PSLF: 10 years THIS PLAN: 25 years</p>
New Income-Based (New IBR)	Remains available, but borrowers cannot select after 60 payments on SAVE that occur on or after July 1, 2024.	Direct	New borrower on or after 7/1/2014 <i>(with no outstanding balance on any prior Direct or FFEL loans)</i>	Joint Tax Return = Combined debt + combined income Separate Tax Return = Your debt + your income	Generally 10% of discretionary income Never more than the 10-year Standard Repayment amount	<p>PSLF: 10 years THIS PLAN: 20 years</p>
Income-Based (IBR)	Remains available, but borrowers cannot select after 60 payments on SAVE that occur on or after July 1, 2024.	Direct/FFEL	Any borrower with eligible student loans	Joint Tax Return = Combined debt + combined income Separate Tax Return = Your debt + your income	Generally 15% of discretionary income Never more than the 10-year Standard Repayment amount	<p>PSLF: 10 years THIS PLAN: 20 years</p>
Pay As You Earn (PAYE)	No new enrollments starting summer 2024.	Direct	New borrower as of 10/1/2007 and must have received a Direct Loan disbursement on or after 10/1/2011	Joint Tax Return = Combined debt + combined income Separate Tax Return = Your debt + your income	Generally 10% of discretionary income Never more than the 10-year Standard Repayment amount	<p>PSLF: 10 years THIS PLAN: 20 years</p>
Saving on a Valuable Education (SAVE) Plan	Formerly known as Revised Pay as You Earn (REPAYE); Transitioning through 2024.	Direct	Any borrower with eligible federal student loans	Joint Tax Return = Combined debt + combined income Separate Tax Return = Your debt + your income	5% of discretionary income for undergraduate loans, 10% for graduate loans, and a weighted average for borrowers who have both (starting 2024). Protects income up to 225% of federal poverty line versus 150% in other plans.	<p>PSLF: 10 years LOW BALANCE BORROWERS (<\$12,000): 15 years THIS PLAN (Undergraduate): 20 years THIS PLAN (Graduate): 25 years</p>

*Includes Subsidized, Unsubsidized, Grad PLUS, Consolidation — but not Parent PLUS

Source: Department of Education — Federal Student Aid, Repayment Plans, studentaid.gov

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