Federal Loan Repayment Plans At A Glance

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The *One Big Beautiful Bill Act (OBBBA)*, signed into law in July 2025, brought big changes to the student loan repayment landscape for borrowers. The repayment plan information below is subject to continuing interpretation, guidance, and policy updates. For the purposes of this chart, "legacy borrowers" refer to borrowers with no new federal student loans taken on or after July 1, 2026.

	Who is eligible?	Dates Available	Term	How are payments set?	How is unpaid monthly interest treated?
Standard Repayment Plan	All federal loan borrowers	10, 25 year, and graduated plans available to legacy borrowers; tiered standard plans for borrowers with any new loans after July 1, 2026	10 - 25 years based on borrower history and/or debt load	Fixed payments based on interest rates and repayment term	Not applicable as monthly payments cover accruing interest
Repayment Assistance Plan (RAP)	All federal loan borrowers (except for Parent PLUS borrowers)	Legacy borrowers can choose RAP or Income-Based Repayment (IBR) plan; Borrowers with new loans on or after July 1, 2026 can only use RAP for their income-driven repayment (IDR) plan	Up to 30 years, then taxable forgiveness	1-10% of annually reported adjusted gross income (AGI); $10 minimum monthly payment	Not charged to the borrower
Income-Based Repayment (IBR)	Federal loan borrowers with no new loans on or after July 1, 2026	Not going away for legacy borrowers, but no new enrollments if any loans borrowed after July 1, 2026	Legacy borrowers with first loans borrowed prior to July 1, 2014: 25 years Legacy borrowers with all loans taken after July 1, 2014: 20 years	Pre-2014 borrowers: 15% of discretionary income; Post-2014: 10% of discretionary income	Accrued, thereby increasing total balance owed over the maximum term
Pay As You Earn (PAYE) and Income-Contingent Repayment (ICR)	Federal loan borrowers with no new loans on or after July 1, 2026	Current borrowers in these plans must transfer out by July 1, 2028	Sunsetting July 1, 2028	Percentage of reported discretionary income	Accrued, thereby increasing total balance owed over the maximum term

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Payment Plan Tiers

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For borrowers with any new loans on or after July 1, 2026, the new **Tiered Standard Repayment Plan** will base the number of years in repayment on the amount of student loan debt:

Federal Loan Debt Total	Repayment Term
Less than $25,000	10 years
$25,000-$49,999	15 years
$50,000-$99,999	20 years
$100,000 or more	25 years

Under the **Repayment Assistance Plan (RAP)**, monthly payments will be calculated based on adjusted gross income and number of dependents:

Income	Monthly Payment	Income	Monthly Payment
$10,000 or less	$10	Between $60,001 - $70,000	6% of AGI, divided by 12
Between $10,001 - $20,000	1% of AGI, divided by 12	Between $70,001 - $80,000	7% of AGI, divided by 12
Between $20,001 - $30,000	2% of AGI, divided by 12	Between $80,001 - $90,000	8% of AGI, divided by 12
Between $30,001 - $40,000	3% of AGI, divided by 12	Between $90,001 - $100,000	9% of AGI, divided by 12
Between $40,001 - $50,000	4% of AGI, divided by 12	Over $100,000	10% of AGI, divided by 12
Between $50,001 - $60,000	5% of AGI, divided by 12		

To discuss your specific repayment strategy with an Accredited Financial Counselor®, schedule a 30-minute call at **AccessLex.org/accessconnex**.

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