

# Income-Based Repayment Plan Comparison

Income-Based Repayment (IBR)	Income-Based Repayment (IBR) 2014	Income-based Repayment Assistance Plan (RAP)
<p>Eligible loan types include Direct Loans and FFEL, including Direct Loans that are in default: Subsidized Loans, Unsubsidized Loans, PLUS Loans for graduate or professional students, and Consolidation Loans that are not excepted consolidation loans (FFEL and defaulted Federal Consolidated Loans must be consolidated to repay under RAP)</p>		
<p>Borrowers with one or more loans made before July 1, 2014, and <b>no new</b> loans made on or after July 1, 2026</p>	<p>Borrowers with no outstanding Direct Loan or FFEL balances before July 1, 2014, and <b>no new</b> loans made on or after July 1, 2026</p>	<p>Borrowers with one or more loans made on or after July 1, 2026</p>
<p>Monthly payment is the lesser of:</p> <ul style="list-style-type: none"> <li>• 15% of AGI that exceeds poverty guidelines, based upon family size; or</li> <li>• Amount calculated under 10-year Standard plan, based on original owing principal and interest</li> </ul> <p>Minimum monthly payment as low as \$0</p>	<p>Monthly payment is the lesser of:</p> <ul style="list-style-type: none"> <li>• 10% of AGI that exceeds poverty guidelines, based upon family size; or</li> <li>• Amount calculated under 10-year Standard plan, based on original owing principal and interest</li> </ul> <p>Minimum monthly payment as low as \$0</p>	<p>Monthly payment is an amount equal to:</p> <ul style="list-style-type: none"> <li>• The borrower's applicable base payment (percentage of AGI), divided by 12;</li> <li>• Minus \$50 for each dependent</li> </ul> <p>Minimum monthly payment as low as \$10</p>
<p>Forgiveness after 25 years of qualifying payments</p>	<p>Forgiveness after 20 years of qualifying payments</p>	<p>Forgiveness after 30 years of qualifying payments</p>

## Income-Based Repayment (IBR)

### Special Features:

- Interest subsidy for the first 3 years for Subsidized Loans (except for periods of economic deferment), when monthly payment does not cover accrued interest
- For married borrowers who file jointly, the spouse's loan debt is included for purposes of adjusting the borrower's monthly payment
- Ability to apply and recertify eligibility for plan using Federal Tax Information (FTI)

## Income-Based Repayment (IBR) 2014

### Special Features:

- Interest subsidy for the first 3 years for Subsidized Loans (except for periods of economic deferment), when monthly payment does not cover accrued interest
- For married borrowers who file jointly, the spouse's loan debt is included for purposes of adjusting the borrower's monthly payment
- Ability to apply and recertify eligibility for plan using FTI

## Income-based Repayment Assistance Plan (RAP)

### Special Features:

- Interest subsidy when required, on-time monthly payment does not cover accrued interest
- Matching principal payment is made when the required, on-time monthly payment does not reduce outstanding principal by at least \$50
- For married borrowers, the spouse's loan debt is never included in the monthly payment calculation
- Ability to apply and recertify eligibility for plan using FTI