

5 Facts about REPAYE-the New Student Loan Repayment Plan

1. **Student loan borrowers of all income levels can participate:**
 - a. Payments are never greater than 10% of your income based on your family size.
 - b. If you have Perkins Loans or Federal Family Education Loans (FFEL), these can be consolidated into Direct Loans and included in this payment plan.
2. **Your eligibility doesn't depend on the year you borrowed:**
 - a. REPAYE removes these obstacles. There is no time requirement to participate and everyone receives the same benefit.
3. **Your loans will be forgiven after 20 years of payments:**
 - a. Current IRS rules require you to pay taxes on the forgiven loan amount.
4. **The government will pay more of the interest on your loans:**
 - a. For three years, the government will cover unpaid interest that accrues each month plus it will cover half the accruing interest after that on both subsidized and unsubsidized loans.
5. **Sign up on www.studentloans.gov (and remember to renew every year):**
 - a. Here is how to sign up:
 - i. Log into www.studentloans.gov with your Federal Student Aid ID. (Don't have one yet? Create an FSA ID at <https://fsaid.ed.gov> .)
 - ii. Click on "Complete Income-Driven Repayment Plan Request." Look through a preview of the form in advance so you know what documents to have ready.
 - iii. Choose "REPAYE" in the "Income-Driven Repayment Plan" column on the form.
 - iv. Enter your family size and income information.
 - v. Submit the form online.
 - b. You must recertify your income every year!
 - i. You will fill out the same form on www.studentloans.gov with your updated information, and your payments will be recalculated if your earnings are different.
 - ii. Your payment will never be more than 10% of your income.

If you have questions, please contact a student loan default specialist:

Grand Rapids Community College
Financial Aid Office
616-234-3164