

TROUBLE MAKING YOUR FEDERAL STUDENT LOAN PAYMENTS?

We can help you get back on track.

WHY ARE YOU HAVING TROUBLE?



When it comes to repaying student loans, every borrower should have a game plan. Our goal is to provide you with the resources that will help you to understanding the options available to you. Remember, for specific questions about your eligibility, contact you loan servicer.

To begin, understand the specifics of your debt. Knowing the answers to these questions will help you to understand the options available to you and to choose the plan best suited to your situation.

Who is my loan servicer?

The company that collects payments, responds to customer service inquiries, and performs other administrative tasks associated with maintaining a federal student loan on behalf of the lender. Go to [StudentAid.gov/login](https://studentaid.gov/login) to find out who is the loan servicer for your federal student loan. If you don't already have one, you will need to create an FSA ID and password.

What type of student loan(s) do I have?

Different types of student loans have different forgiveness/cancellation benefits associated with them.

- To find out if you have federal student loans, visit the U.S. Department of Education's central database for student aid to find out. Visit the "Financial Aid Review" section of the site and enter in your personal information to access a list of all federal loans made to you. When you click each loan you can see who the loan servicer is (they collect bills from you), and what company or office you'll work with to enroll in the repayment plan you've chosen. The most common name of federal student loans are Direct, Stafford, Grad PLUS, and Perkins. Be sure to pay attention to the date of when your loans were issued, because the date impacts what kind of repayment plan you are eligible for.
- To find out if you have private student loans, contact your school's financial aid office, which should be able to confirm your loan information. If your school doesn't have documentation of your private student loans, you can request a free credit report from Annual Credit Report, which will provide you a list of private student loans in your name (you are entitled to one free credit report from this service every year). Private (non-federal) student loans, are typically called private or alternative and are issued by a bank, credit union, your school, a state agency or a nonprofit organization.

When did I take out my student loans(s)?

The date your student loan(s) were issued impacts your eligibility for different forgiven/cancellation benefits and the type of repayment plans you are eligible for.

How much do I owe?

The Repayment Estimator estimates your federal student loan payments under each repayment plan so you can make an informed decision regarding your first repayment plan. If you don't actively choose a different repayment plan, your loan servicer will place you on the Standard repayment plan.

If you have already been repaying your federal student loan(s) and are exploring the IBR, Pay As You Earn, or ICR repayment plans, the Repayment Estimator will still help you estimate your monthly payments, but the Total Interest Paid and Total Amount Paid will be less accurate

Click [here](#) to access the repayment estimator.

Public Service Loan Forgiveness

PSLF program is intended to encourage individuals to enter and continue to work in full time public service jobs after graduation. Realizing that many of these jobs have lower salaries than other careers, the PSLF program is designed to strike a balance between the cost of education and the post-graduation salary offered by many public sector employers. All employees of public schools are eligible for the PSLF program.

The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on your Direct Loans after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full-time for a qualifying employer.

- [What is qualifying employment?](#)
- [What is considered full-time employment?](#)
- [Which types of federal student loans qualify for PSLF?](#)
- [What is a qualifying monthly payment?](#)
- [What is a qualifying repayment plan?](#)
- [How do I know I'm on the right track to receive PSLF?](#)
- [Will I automatically receive PSLF after I've made 120 qualifying monthly payments?](#)

[Public Service Loan Forgiveness Employment Certification Form](#)

[Public Service Loan Forgiveness Program fact sheet \(updated December 2013\)](#)

[Public Service Loan Forgiveness Program Q&As \(updated November 2014\)](#)

To apply for PSLF, you must:

- Make 120 on-time, full, scheduled, monthly payments on your Direct Loans.
 - Only payments made after October 1, 2007 qualify.
 - You must also make those payments under a qualifying repayment plan, and when you make each of those payments, you must be working full-time at a qualifying public service organization.
- If you are seeking Public Service Loan Forgiveness, **you should repay your federal student loans under an income-driven repayment plan**. Click [here](#) to find out more about income-driven repayment plans.
- To actually apply for forgiveness, after you make your 120th qualifying payment, you will need to submit the PSLF application to receive loan forgiveness.
- You must be working for a qualified public service organization at the time you submit the application for forgiveness and at the time the remaining balance on your loan is forgiven.
- In order to remain eligible, you must track all of your public employment very carefully. The Department of Education has created a Public Service Loan Forgiveness Employment Certification Form that any borrowers looking to qualify for PSLF should fill out annually and any time they switch jobs.

Teacher Loan Forgiveness

There are two types of loan forgiveness programs for teachers:

- [Teacher loan forgiveness](#) for Direct Subsidized Loans, Direct Unsubsidized Loans, Subsidized Federal Stafford Loans, and Unsubsidized Federal Stafford Loans .
- [Teacher cancellation](#) for Federal Perkins Loans .

The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession. Under this program, if you teach full-time for five complete and consecutive academic years in certain elementary and secondary schools and educational service agencies that serve low-income families, and meet other qualifications, you may be eligible for forgiveness of up to a combined total of \$17,500 on your [Direct Subsidized and Unsubsidized Loans and your Subsidized and Unsubsidized Federal Stafford Loans](#). If you have [PLUS loans only, you are not eligible for this type of forgiveness.](#)

- [What are the eligibility requirements?](#)
- [Who is considered a teacher?](#)
- [How long must I teach?](#)
- [Am I a highly qualified teacher?](#)
- [Is the school at which I teach a low-income school?](#)
- [What if I teach at an educational service agency?](#)

- [How do I apply for teacher loan forgiveness?](#)
- [Teacher Loan Forgiveness Application](#)

Perkins Loan Cancellation for Teachers

If you have a loan from the [Federal Perkins Loan Program](#) you might be eligible for loan cancellation for full-time teaching at a low-income school, or for teaching in certain subject areas. You can also qualify for [deferment](#) for these qualifying teaching services. Check with the school that made your Federal Perkins Loan for more information.

- [What are the eligibility requirements?](#)
- [Who is considered a teacher?](#)
- [How long must I teach?](#)
- [How do I apply for teacher cancellation?](#)
- [What amount can be canceled?](#)

Service Completed Before Oct. 30, 2004

If your five complete and consecutive years of qualifying teaching service began before Oct. 30, 2004, please note the following:

- You may receive up to \$5,000 in loan forgiveness if, as certified by the chief administrative officer of the school where you were employed, you were
 - a full-time elementary school teacher who demonstrated knowledge and teaching skills in reading, writing, mathematics, and other areas of the elementary school curriculum; or
 - a full-time secondary school teacher who taught in a subject area that was relevant to your academic major.
- You may receive up to \$17,500 in loan forgiveness if, as certified by the chief administrative officer of the school where you were employed, you were
 - a [highly qualified](#) full-time mathematics or science teacher in an eligible secondary school; or
 - a [highly qualified](#) special education teacher whose primary responsibility was to provide special education to children with disabilities, and you taught children with disabilities that corresponded to your area of special education training and have demonstrated knowledge and teaching skills in the content areas of the curriculum that you taught.

Service Beginning on or After Oct. 30, 2004

If your five complete and consecutive years of qualifying teacher service began on or after Oct. 30, 2004, please note the following:

- You may receive up to \$5,000 in loan forgiveness if you were a [highly qualified](#) full-time elementary or secondary school teacher.
- You may receive up to \$17,500 in loan forgiveness if, as certified by the chief administrative officer of the school where you were employed, you were
 - a [highly qualified](#) full-time mathematics or science teacher in an eligible secondary school; or
 - a [highly qualified](#) special education teacher whose primary responsibility was to provide special education to children with disabilities, and you taught children with disabilities that corresponded to your area of special education training and have demonstrated knowledge and teaching skills in the content areas of the curriculum that you taught.

PLEASE KEEP IN MIND...

Make sure you call your loan servicer to find out what is the best path for you. Keep in mind the following points when exploring your options:

- If your student loans are held by more than one holder, it is to your advantage to apply for loan forgiveness first with the holder that holds the largest balance of unsubsidized loans. To determine which holder has the largest unsubsidized balance, please review a summary of your loans on the [National Student Loan Data System \(NSLDS\)](#) website.
- For borrowers with low- to-moderate student loan debt who meet other program criteria, Public Service Loan Forgiveness may not be the best choice. For borrowers with high student loan debt, it may still make sense to pursue Public Service Loan Forgiveness.
- If you are a teacher, PSLF may not be the best option for you if you are highly qualified or teach certain types of students or work in certain schools.

Consolidation of Student Loans

- If you don't have a direct loan— there are still ways to get on the path toward debt relief through income-driven repayment plans and other types of loan forgiveness. . In addition, you have the option to consolidate other types of federal loans into a Direct Consolidation Loan, which qualifies for PSLF. When you fill out the application to consolidate your loans, be sure to check the box that says you're consolidating for the purpose of loan forgiveness.
- When taking out a consolidation loan, you choose which debts to include – a federal consolidation doesn't have to include all of your federal student loans. Instead, when you go through this process, you might want to keep your Perkins loans separate. You'll have a separate payment to make, but the potential freedoms this debt provides could be worth the hassle.

- Consolidation has its pros and cons, but if you're dealing with multiple payments from multiple loan holders, this option could definitely simplify things for you. But borrowers with [Perkins loans](#) need to think twice before consolidating these loans. Here's why.
 - First, think about the work you're doing now and plan to do in the future. Consider if you expect to have a job in one of the fields that offers complete forgiveness. If not, then you may not miss the benefits above.
 - Even so, your best bet may still be to move on to the second item on your checklist, which is to pay attention to the loans you consolidate.

Tax Consequences for Student Loan Forgiveness

It is important to note that while student loan forgiveness options are beneficial to most borrowers, for others they may result in tax consequences. Under current IRS rules, you may be required to pay income tax on any amount that is forgiven if you still have a remaining balance at the end of your repayment period for any of these plans. Contact a CPA or other tax advisor for more information.

Avoid Scams and Unscrupulous Lenders

Whether you're taking out a new student loan or consolidating existing education loans, the Federal Trade Commission (FTC), the nation's consumer protection agency, and the U.S. Department of Education (ED), the agency that oversees federal student loans, want you to know how to spot potentially deceptive claims or business practices some private companies may use to get your loan business. Remember, none of the federal loan forgiveness or loan cancellation programs require you to pay for this service. Click [here](#) for more information.

The information provided on this site is intend as a guide to help you understand the student loan forgiveness/cancellation options available to you. The Caddo Parish School Board, Red River United, Caddo Association of Educators and CAPEL are not certified loan counselors. You should contact your loan servicer for specific questions regarding your student loan(s).

The majority of the information was taken from www.studentaid.gov.ed.