

Overview of Income-Driven Repayment Plans

Repayment Plan	Eligible Borrower Loan Dates	Repayment Formula¹	Forgiveness Period	Eligible Loans	Parent PLUS?	Statute and Implementing Regulation
IBR before July 1, 2014	Borrowed before July 1, 2014	Lesser of: <ul style="list-style-type: none"> ● 15% of discretionary; or ● 10-year Standard Plan amount income 	25 years	Both Direct and FFEL	No	20 U.S.C. § 1098e; 34 C.F.R. §§ 682.215 (FFEL), 685.221 (Direct)
IBR after July 1, 2014	New borrowers on or after July 1, 2014	Lesser of: <ul style="list-style-type: none"> ● 10% of discretionary income; or ● 10-year Standard Plan amount 	20 years	Direct loan only ²	No	20 U.S.C. § 1098e; 34 C.F.R. § 685.221 (Direct)
Pay As You Earn (PAYE)	New borrowers on or after Oct. 1, 2007, who received a disbursement on or after Oct. 1, 2011	Lesser of: <ul style="list-style-type: none"> ● 10% of discretionary income; or ● 10-year Standard Plan amount 	20 years	Direct loan only	No	20 U.S.C. §§ 1087e(d)(1)(D), (e); 34 C.F.R. § 685.209(a)
Revised Pay As You Earn (REPAYE)	All	10% of discretionary income	20 years for borrowers with loans for undergraduate study only; 25 years for borrowers with at least one loan for graduate study	Direct loan only	No	20 U.S.C. §§ 1087e(d)(1)(D), (e); 34 C.F.R. § 685.209(c)
ICR Plan	All	The lesser of the following: <ul style="list-style-type: none"> ● 20% of discretionary income; or ● Based upon a 12-year amortization schedule, adjusted according to income 	25 years	Direct loan only	No, unless consolidated	20 U.S.C. §§ 1087e(d)(1)(D), (e); 34 C.F.R. § 685.209(b)

¹ For all of the plans, except ICR, “discretionary income” is the adjusted gross income above 150% of the Department of Health and Human Services’ (HHS) federal poverty guideline for the borrower’s household size. For ICR, discretionary income is income above 100% of federal poverty for the borrower’s household size. *See* §§ 3.3.3.3, 3.3.4.2, *infra*.

² There is no express prohibition on FFEL Program loans; however, because the FFEL Program ended in 2010, there were no new FFEL borrowers in 2014.