

Qualifying for Public Service Loan Forgiveness (PSLF)

This information pertains to the U.S. Department of Education's Federal Student Aid program, which is not affiliated with URS, and is for informational purposes only.

How to Qualify

To qualify for PSLF, you must:

- » be employed by a U.S. federal, state, local, or tribal government or not-for-profit organization;
- » work full-time for that agency or organization;
- » have Direct Loans (or consolidate other federal student loans into a Direct Loan);
- » repay your loans under an income-driven repayment plan; and
- » make 120 qualifying payments.

To ensure you're on the right track, you should submit to studentaid.gov a [Public Service Loan Forgiveness \(PSLF\) & Temporary Expanded PSLF \(TEPSLF\) Certification & Application \(PSLF Form\)](#) annually or when you change employers. Federal Student Aid will use the information you provide on the form to let you know if you are making qualifying PSLF payments. This will help you determine if you're on the right track as early as possible.

Full-time Employment

For PSLF, you're generally considered to work full-time if you meet your employer's definition of full-time or work at least 30 hours per week, whichever is greater.

If you are employed in more than one qualifying part-time job at the same time, you will be considered full-time if you work a combined average of at least 30 hours per week with your employers. If you are employed by a not-for-profit organization, time spent on religious instruction, worship services, or any form of proselytizing may not be counted toward meeting the full-time employment requirement.

Eligible Loans

Any loan received under the William D. Ford Federal Direct Loan (Direct Loan) Program qualifies for PSLF. Loans from these federal student loan programs don't qualify for PSLF: the Federal Family Education Loan (FFEL) Program and the Federal Perkins Loan (Perkins Loan) Program. However, they may become eligible if you consolidate them into a Direct Consolidation Loan. Student loans from private lenders do not qualify for PSLF. If you consolidate your loans, only qualifying payments that you make on the new Direct Consolidation Loan can be counted toward the 120 payments required for PSLF. Any payments you made on the loans before you consolidated them don't count. The [PSLF Help Tool](#) will tell you whether you need to consolidate some or all of your loans.

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Qualifying Payments

A qualifying monthly payment is a payment that you make

- » after Oct. 1, 2007;
- » under a qualifying repayment plan;
- » for the full amount due as shown on your bill;
- » no later than 15 days after your due date; and
- » while you are employed full-time by a qualifying employer.

You can make qualifying monthly payments only during periods when you're required to make a payment. Therefore, you can't make a qualifying monthly payment while your loans are in

- » an in-school status,
- » the grace period,
- » a deferment, or
- » a forbearance.

If you want to make qualifying payments, but you're in a deferment or forbearance, contact your federal student loan servicer to waive the deferment or forbearance. Your 120 qualifying monthly payments don't need to be consecutive. For example, if you have a period of employment with a nonqualifying employer, you will not lose credit for prior qualifying payments you made. The best way to ensure that you are making on-time, complete payments is to sign up for automatic debit with your loan servicer

Can I Qualify Sooner by Making Higher Monthly Payments?

No. You must make payments to cover 120 separate monthly obligations. Paying extra won't help you qualify for PSLF sooner. You may prepay, or make lump sum payments, which would apply to future months, for up to 12 months, or when your next [income-driven payment \(IDR\)](#) plan is due. For example, if you recertified your IDR and your monthly payment was \$100, but you paid \$1,200 for the first month's payment, that payment would count as 12 separate payments for that year. You would not need to make another payment until the next 12-month cycle. These payments would count as qualifying payments towards PSLF forgiveness once you certified your eligible employment for the 12-month period.

Qualifying Repayment Plans

Qualifying repayment plans include all of the [income-driven repayment \(IDR\) plans](#) (plans that base your monthly payment on your income). While payments made under the 10-year Standard Repayment Plan are qualifying payments, you would have to change to an IDR plan to benefit from PSLF. Under the 10-year Standard Repayment Plan, your loans will be paid in full once you have made the 120 qualifying PSLF payments and there will be no balance to forgive. Before you change to an [IDR plan](#), however, you should understand that your payment may increase under these plans depending on your income and the amount that you owe. If this is the case for you, and you do not wish to pay this higher amount, then the PSLF Program may not benefit you.

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The following repayment plans **do not qualify** for PSLF:

- » Standard Repayment Plan for Direct Consolidation Loans
- » Graduated Repayment Plan
- » Extended Repayment Plan
- » Alternative Repayment Plan

PSLF Process

Because you have to make 120 qualifying monthly payments, it will take at least 10 years before you can qualify for PSLF. Important: You must be working for a qualifying employer at the time you submit the form for forgiveness and at the time the remaining balance on your loan is forgiven.

Whether you have made 120 qualifying payments, or are working toward PSLF and are completing your employer certification, you should fill out and submit to studentaid.gov the *(PSLF) & Temporary Expanded PSLF (TEPSLF) Certification & Application (PSLF form)*. Either way, Federal Student Aid will use the information you provide on the form to let you know if you are making qualifying PSLF payments. This will help you determine if you're on the right track as early as possible.

Alert! If you don't periodically submit the PSLF form to studentaid.gov, then at the time you apply for forgiveness, you will be required to submit employment certification for each employer where you worked while making the required 120 qualifying monthly payments.

Public Service Loan Forgiveness (PSLF) Help Tool

The [PSLF Help Tool](#) will

- » help you understand more about PSLF and TEPSLF and what you need to do to participate and possibly have your loans forgiven;
- » help you assess whether your employer qualifies for PSLF;
- » help you assess whether your loans qualify for PSLF; and
- » use the information Federal Student Aid has about your federal student loans to explain other actions you should or must take if you want to receive PSLF or TEPSLF.

At this time, the PSLF Help Tool won't allow you or your employer to electronically sign the forms that the tool will generate for you. Therefore, after you complete the PSLF Help Tool process, you will need to print the PDF document that the tool generates, sign it yourself, have your employer sign it, and then submit the form to the [PSLF servicer](#) as instructed on the printed PDF document.

PSLF Form Process

After you submit a PSLF Form to studentaid.gov, your loans will transfer to the PSLF servicer. After the PSLF servicer determines how many qualifying payments you made during the employment period on your form, you'll receive a letter telling you the number of qualifying payments you have made.

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The number of qualifying payments you have made will only be updated whenever you submit another PSLF form that documents a new period of qualifying employment.

[You can find out how many qualifying payments you've made by logging in to your account with the PSLF servicer and viewing your loan details](#) or by looking on your most recent billing statement at studentaid.gov.

Employment Certification

Your employment can be certified by an official who has access to your employment or service records and is authorized by your employer to certify your employment or your service as an AmeriCorps or Peace Corps volunteer. This will often be someone in the human resources department, though in some cases your direct supervisor or another individual may be authorized to certify your employment. Check with your organization to see who is allowed to certify your [PSLF Form](#).

Tax on Forgiveness

As of 2021, amounts forgiven under the PSLF Program are not considered income by the Internal Revenue Service. Therefore, you will not have to pay federal income tax on the amount of your Direct Loans that is forgiven.

Warning: a change in repayment plans may cause the loss of past qualifying payments for Public Service Loan Forgiveness (re-setting the 120-month clock) and/or capitalization of interest (resulting in higher repayment amounts in the future).

Common PSLF Mistakes

- » Not filing an Employment Certification Form (ECF) each year with studentaid.gov.
- » Not enrolling in an income-driven repayment plan
 - › Must recertify every year
- » Making early or extra payments (results in less money forgiveness)
- » Making a late payment (after 15 days, won't count toward 120 payments)
- » Not consolidating loans (early)

For more information, see <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>.

