

# 2007 COLLEGE COST REDUCTION AND ACCESS ACT

## Monthly Student Loan Payments - Income-Based Repayment

Examples WITHOUT Public Service \$100,000 debt @ 6.8% Standard repayment would be \$1,151/month for 10 years						
Starting Income (AGI)	Annual Increases	Monthly Payments Year 1	Monthly Payments Year 10	Monthly Payments Year 25	Total Amount Paid	Amount Forgiven by Federal Government after 25 Years Service
\$35,000	3%	\$246	\$321	\$500	\$107,655	\$162,345
\$40,000	3%	\$309	\$403	\$627	\$135,000	\$134,858
\$40,000	4%	\$309	\$462	\$893	\$166,119	\$97,975
\$40,000	5%	\$309	\$526	\$1,151	\$201,650	\$48,672
\$50,000	3%	\$434	\$566	\$881	\$189,688	\$68,012
\$50,000	4%	\$434	\$640	\$1,151	\$227,701	\$7,951

Examples WITH Public Service \$100,000 debt @ 6.8% Standard repayment would be \$1,151/month for 10 years						
Starting Income (AGI)	Annual Increases	Monthly Payments Year 1	Monthly Payments Year 10	Total Amount Paid During 10 Years	For Purposes of Comparison, Total Paid w/o Public Service over 25 Years	Amount Forgiven by Federal Government after 10 Years
\$35,000	3%	\$246	\$321	\$33,850	\$107,655	\$134,150
\$40,000	3%	\$309	\$403	\$42,448	\$135,000	\$125,552
\$40,000	4%	\$309	\$462	\$45,701	\$166,119	\$122,299
\$40,000	5%	\$309	\$526	\$49,132	\$201,650	\$118,868
\$50,000	3%	\$434	\$566	\$59,644	\$189,688	\$108,356
\$50,000	4%	\$434	\$640	\$63,710	\$227,701	\$104,160
\$55,000	4%	\$486	\$729	\$72,715	\$213,228	\$56,019

Source:

Schrag, Philip, *Federal Student Loan Repayment Assistance for Public Interest Lawyers and Other Employees of Governments and Nonprofit Organizations*, 36 Hofstra L. Rev. \_\_\_\_ (forthcoming, Fall, 2007)  
[http://www.law.georgetown.edu/news/releases/documents/Forgiveness\\_000.pdf](http://www.law.georgetown.edu/news/releases/documents/Forgiveness_000.pdf)