



## Student Debt Relief Plan Quick Reference

Topic	Description
<b>Qualifying Loans</b>	Only Federal loans that are owned by the federal government. This would include Direct Loans and some FFEL. Private loans, most FFEL and Perkins loan do not qualify. The first distribution of the loans needs to be disbursed before 7/1/2022.
<b>Forgiven Amount</b>	This can range from \$1 to a maximum of \$20,000 depending on the borrower's qualifying federal loans outstanding. To receive an amount over \$10,000 the borrower must have received a Pell grant while in school.
<b>Income Limit</b>	To qualify for the forgiven amount a single borrower or person who filed married and separate must have an AGI below \$125,000. For married couples or head of household who file joint with an AGI limit is \$250,000.
<b>Income Tax Year Used</b>	This could be either 2020 or 2021. It is unclear how this will be determined at this time and the flexibility the borrower may have. Recently married or divorced people may be impacted by this rule based on the tax filing year that is allowed.
<b>Submission Process</b>	A new website or page will be designed to submit the required information. Some borrowers may receive their forgiveness through an automatic process. These would be borrowers who are currently enrolled in an Income-Driven Repayment (IDR) method or have a FAFSA submitted using the DRT process. It is recommended that borrowers get an FSA ID if you do not have one. The submission page is not available at this time.
<b>Pell Grant Review</b>	To see if the borrower received Pell Grants, this information is available on StudentAid.gov website. The borrower will need an FSA ID and password to get access. It is available via Aid Summary page for each borrower.
<b>Current Student Borrower</b>	Current dependent students qualify based on the timing of the qualifying loans and their parents meeting the income limits. The parent's income limit will be used and not the dependent students. Independent students follow the normal rules.
<b>Forgiveness Amount Tax</b>	Federal Tax Free due to CARES Act, Some states could be taxed.