

Federal Loan Repayment Plans At A Glance

Student Loan Repayment Plans and Upcoming Changes as of Summer 2025



The *One Big Beautiful Bill Act (OBBBA)*, signed into law in July 2025, is bringing big changes to the student loan repayment landscape for current and future borrowers. The repayment plan information below is subject to continuing interpretation, guidance, and policy updates.

	Who is eligible?	Dates Available	Term	How are payments set?	How is unpaid monthly interest treated?
Standard Repayment Plan	All federal loan borrowers	10, 25 year, and graduated plans available currently; tiered plans for borrowers after July 1, 2026	10 – 25 years based on debt load	Fixed payments based on repayment term	Not applicable as monthly payments cover accruing interest
Repayment Assistance Plan (RAP)	All federal loan borrowers (except for Parent PLUS borrowers)	Current/past borrowers can choose RAP or Income-Based Repayment (IBR) plan; Borrowers with new loans on or after July 1, 2026 can only use RAP for their income-driven repayment (IDR) plan	Up to 30 years, then taxable forgiveness	1-10% of annually reported adjusted gross income (AGI); \$10 minimum monthly payment	Not charged to the borrower
Income-Based Repayment (IBR)	Federal loan borrowers with no new loans on or after July 1, 2026	Not going away for current borrowers, but no new enrollments if any loans borrowed after July 1, 2026	Pre-2014 borrowers: 25 years; Post-2014 borrowers: 20 years	Pre-2014 borrowers: 15% of discretionary income; Post-2014: 10% of discretionary income	Accrued, thereby increasing total balance owed over the maximum term
Saving on a Valuable Education (SAVE), Pay As You Earn (PAYE), and Income-Contingent Repayment (ICR)	Past federal Direct Loan borrowers	Current borrowers in these plans must transfer out by July 1, 2028 (subject to pending legal action for the current SAVE forbearance), or will be moved to RAP	Sunsetting July 1, 2028	Percentage of reported discretionary income	PAYE/ICR: Accrued, thereby increasing total balance owed over the maximum term; SAVE: Subject to outcome of pending legal action



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Payment Plan Tiers



For borrowers with new loans on or after July 1, 2026, the new **standard repayment plan** will base the number of years in repayment on the amount of student loan debt:

Federal Loan Debt Total	Repayment Term
Less than \$25,000	10 years
\$25,000-\$49,999	15 years
\$50,000-\$99,999	20 years
\$100,000 or more	25 years

Under the **Repayment Assistance Plan (RAP)**, monthly payments will be calculated based on adjusted gross income and number of dependents:

Income	Monthly Payment	Income	Monthly Payment
\$10,000 or less	\$10	Between \$60,001 - \$70,000	6% of AGI
Between \$10,001 - \$20,000	1% of AGI	Between \$70,001 - \$80,000	7% of AGI
Between \$20,001 - \$30,000	2% of AGI	Between \$80,001 - \$90,000	8% of AGI
Between \$30,001 - \$40,000	3% of AGI	Between \$90,001 - \$100,000	9% of AGI
Between \$40,001 - \$50,000	4% of AGI	Over \$100,000	10% of AGI
Between \$50,001 - \$60,000	5% of AGI		

To discuss your specific repayment strategy with an Accredited Financial Counselor®, schedule a 30-minute call at AccessLex.org/accessconnex.