

4 Loan Forgiveness Programs for Teachers



1. Public Service Loan Forgiveness (PSLF) Program

Forgives the remaining balance on your Federal Direct Loans after 120 qualifying payments (10 years).

View complete program details at [StudentAid.gov/publicservice](https://studentaid.gov/publicservice).

Here are some highlights:

- This program has the broadest [employment qualification requirements](#) of the federal programs listed—it doesn't require that you teach at a low-income a public school, or even be a teacher. Most full-time public and private elementary and secondary school teachers will meet the employment requirements.
- You must have Direct Loans. If you have other types of federal loans, like FFEL or Perkins Loans, [you must consolidate](#) in order for those loans to qualify. To check which types of loans you have, [log in to StudentAid.gov](#).
- You should repay your loans on an income-driven repayment plan if you want to get the most value out of the program. You can [apply for an income-driven repayment plan on StudentLoans.gov](#).
- In order for payments to count toward the 120 needed to get forgiveness, they need to be full payments, made no more than 15 days late, and made after October 1, 2007.
- Loan amounts forgiven under PSLF are NOT considered taxable by the IRS.

To confirm whether you qualify for the program, [submit this form](#) ASAP.

2. Teacher Loan Forgiveness

Forgives up to \$17,500 of your Direct or FFEL Subsidized or Unsubsidized Loans after 5 complete and consecutive years of teaching at a qualifying school.

View complete program details at [StudentAid.gov/teach-forgive](https://studentaid.gov/teach-forgive).

Here are some highlights:

- You must have been employed as a full-time teacher at an [eligible school](#) for five complete and consecutive academic years, and at least one of those years must have been after the 1997–98 academic year.
- [Certain highly qualified](#) special education and secondary mathematics or science teachers can qualify for up to \$17,500 in forgiveness. Other eligible teachers can qualify for up to \$5,000.
- PLUS loans and Perkins loans are not eligible to be forgiven through this program.
- Any time you spent teaching to receive benefits through AmeriCorps cannot be counted toward your required five years of teaching for Teacher Loan Forgiveness.
- You apply for teacher loan forgiveness **after** you have completed the five-year teaching requirement.

Print and complete the [Teacher Loan Forgiveness Application](#).

3. Perkins Loan Cancellation for Teachers

Forgives up to 100% of your Federal Perkins Loan Program if you teach full-time at a low-income school, or if you teach certain subjects.

View complete program details at [StudentAid.gov/teach-forgive](https://studentaid.gov/teach-forgive).

Here are some highlights:

- This program can only forgive your Federal Perkins Loans. Check to see if you have Perkins loans at [StudentAid.gov](https://studentaid.gov).
- If you are eligible for this program, up to 100 percent of the loan may be canceled for teaching service, in the following increments:
 - 15 percent canceled per year for the first and second years of service
 - 20 percent canceled for the third and fourth years
 - 30 percent canceled for the fifth year
 - Each amount canceled per year includes the interest that accrued during the year.
- To find out if a school is classified as a low-income school, check our [online database](#) for the year(s) you have been employed as a teacher.
- Even if you don't teach at a low-income school, you may qualify if you teach mathematics, science, foreign languages, bilingual or special education, or different subject determined by your state education agency to have a shortage of qualified teachers in your state.

- Private school teachers can qualify if the school has established its nonprofit status with the Internal Revenue Service (IRS), and if the school is providing elementary and/or secondary education according to state law.

To apply for Perkins Cancellation, contact the school(s) where you obtained the Perkins Loan. Each school has its own process.

4. State-Sponsored Student Loan Forgiveness Programs

Tons of states offer loan forgiveness programs for teachers—especially if you teach in a high need area. The American Federation of Teachers has a great [searchable database](#) you can use to find state and local forgiveness programs you might qualify for.

You may qualify for more than one of the programs listed above. In some instances though, your decision to take advantage of one program may impact your ability to take advantage of another. For example:

- You must have Direct Loans in order to qualify for Public Service Loan Forgiveness. If you have any Perkins Loans, you may be tempted to consolidate them into the Direct Loan Program in order to make them eligible for PSLF. However, if you do that, you'll no longer qualify for Perkins Cancellation. You may be better off leaving your Perkins Loans out of the consolidation loan so you can take advantage of both programs.
- You may not receive a benefit under both the Teacher Loan Forgiveness Program and the Public Service Loan Forgiveness Program for the same period of teaching service. For example, if you make payments on your loans during your five years of qualifying employment for Teacher Loan Forgiveness and then receive loan forgiveness for that service, the payments you made during that five year period will not count toward PSLF.

As you're trying to decide which option(s) are right for you, [consult your federal loan servicer](#). They can give you advice based on your specific situation.

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