

Public Service Loan Forgiveness (PSLF)  
Quick Reference Guide  
**INFORMATION AS CURRENT AS POSSIBLE AS OF JULY 2025  
AND AFTER PASSAGE OF H.R.1  
INFORMATION SUBJECT TO CHANGE – PLEASE SEE ITEM 8 ON LAST PAGE**

---

## BACKGROUND

The Public Service Loan Forgiveness (PSLF) program was established in 2007 as part of the College Cost Reduction and Access Act (CCRAA) and was designed to encourage student loan borrowers to enter and remain in the public non-profit sector for at least ten years with the promise to forgive any remaining federal student loan debt at that time tax free (for federal tax purposes). PSLF is neither discipline nor degree specific, and thus applies to all student loan borrowers who meet the eligibility requirements. **PSLF is also available to eligible borrowers regardless of medical specialty, as long as they meet the requirements.**

## ELIGIBILITY

**You do NOT have to consolidate to be eligible for PSLF. Do not let anyone tell you otherwise, as that is simply not true. Direct Loans qualify for PSLF whether consolidated or not, and for many, Direct Loans are already the entirety of their student loan portfolio.**

The basic eligibility requirements for PSLF are not complicated, and they have not changed. In order to qualify for PSLF, a borrower must:

- 1. Make 10 years' worth of qualifying payments with an eligible repayment plan such as Income Based Repayment (IBR).** You MUST at some point use an Income Driven Repayment (IDR) plan to qualify. Payments do not have to be consecutive nor do they have to be from the same IDR. Please see our IDR Comparison Chart for information on IDRs.
- 2. Payments must be made on Federal Direct Loans** (these are loans directly from the government). Therefore, if your loan does not say Direct, it is not eligible for PSLF. **Once again, you do NOT have to consolidate in order to qualify for PSLF.**
- 3. Payments with an eligible plan on Direct Loans must be made while working full time (now defined as 30 hours per week) for an eligible non-profit employer.** The employment does not have to be consecutive nor from the same employer. **Please see item 8 on the next page for important information on employer eligibility.**

Please note that while neither the eligible payments nor employment have to be consecutive, the PSLF “clock” is not moving towards eligibility unless all three of these things are happening at the same time, which is why some borrowers need more than 10 years to qualify.

## STEPS TO SET UP PSLF ELIGIBILITY

1. Complete the PSLF Form available at [www.StudentAid.gov/publicservice](http://www.StudentAid.gov/publicservice). This can be completed once a borrower starts working full time for an eligible employer.
2. We strongly suggest you use the PSLF Help Tool available at the above site when completing the PSLF Form. This allows you to confirm your employer is a non-profit, preprint the form, and submit it electronically to your employer for their signature.
3. Please note that the U.S. Department of Education (ED) now processes all PSLF Forms, so you no longer have to ensure your loans are serviced by a designed PSLF servicer as was the case in the past. PLEASE NOTE: Due to changes at and the possible elimination of ED, there may be delays processing your PSLF Form. This is now even more a concern, since the Supremes recently gave the current administration approval to fire even more ED staff.

## IMPORTANT COMMENTS ON PSLF

Please note the following:

1. Once again, you do NOT have to consolidate to qualify for PSLF.
2. The PSLF Form is not a contract, it is simply a way of letting the government know you are interested in PSLF and that you want help tracking your qualifying payments so that you always know how far along you are towards forgiveness with PSLF.
3. While the PSLF Form is not required, it is the only way to track your payments and the only way the government knows you are interested in the program.
4. The PSLF Form can now be done online by using the PSLF Help Tool at [www.StudentAid.gov/publicservice](http://www.StudentAid.gov/publicservice).
5. While there were some decided challenges with PSLF when the program first started, many of these have been addressed and borrowers are now qualifying and have been for years, so do not let anyone tell you this program is not working. The Biden Harris Administration did everything possible to help ensure as many borrowers as possible could qualify for PSLF.
6. The extremely high denial rate for the first groups of borrowers who applied for forgiveness was due in large part to a) borrowers applying for forgiveness on loans the government did not make and b) borrowers applying for forgiveness when they were using the wrong repayment plans. This was largely addressed with the temporary PSLF Waiver put in place by the Biden Administration in 2022.
7. The forgiveness amount with PSLF is not considered taxable income for federal tax purposes, though state tax provisions may be different.
8. While PSLF was left largely intact with H.R. 1, ED now has sole discretion as to whether or not an employer qualifies as an eligible employer for PSLF, something all borrowers (but especially those doing residency and fellowship programs) should be concerned about. This is due to a recently completed process called Negotiated Rulemaking (NEGREG). We strongly encourage you to do a search as follows for details: PSLF Negotiated Rulemaking

---

Summer 2025