



FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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Money Tip for Students, August 2018

Federal government offers student loan forgiveness for teachers, nurses

The federal government may forgive all or part of teachers' and nurses' federal student loans if they meet certain requirements. The forgiveness options, according to the Kentucky Higher Education Assistance Authority (KHEAA), include:

- Teacher loan forgiveness. To qualify, you must teach at least five full years in a low-income school in an eligible district. Depending on your field, you may have up to \$17,500 in student loans forgiven. For complete details, visit www.ed.gov.
- Nursing loan forgiveness. You must be at least a registered nurse and agree to work full time for at least two years in a critical shortage facility. If you fulfill your agreement, 60 percent of your loan balance will be forgiven. Another 25 percent will be forgiven if you work a third year. Nurses teaching at an accredited school of nursing may also qualify. For complete details, visit <https://bhw.hrsa.gov>.

One thing to remember is that the Internal Revenue Service counts the amount forgiven as income. You should talk with a tax professional to understand the impact it may have on your taxes.

KHEAA is the state agency that administers the Kentucky Educational Excellence Scholarship (KEES) and other programs to help students pay for higher education.

For more information about Kentucky scholarships and grants, visit www.kheaa.com; write KHEAA, P.O. Box 798, Frankfort, KY 40602; or call 800-928-8926, ext. 6-7214.

KHEAA also disburses Advantage Education Loans, the state's only non-profit private education loan. For more information, visit www.advantageeducationloan.com.

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