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 Kentucky’s grant and scholarship programs, including the Kentucky Educational Excellence Scholarship (KEES). The agency also provides financial literacy videos at http://itsmoney.kheaa.com and free copies of “It’s Money, Baby,” a guide to financial literacy, to Kentucky schools and residents upon request at publications@kheaa.com.

KHEAA’s sister agency, the Kentucky Higher Education Student Loan Corporation (KHESLC), offers low-cost Advantage Loans to help students and parents pay for college or to refinance student loans. For more information about Advantage Loans, visit www.advantageeducationloan.com.

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.

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