

# DIRECT SUBSIDIZED AND DIRECT UNSUBSIDIZED LOAN WORKSHEET PART 2 INCOME CONTINGENT REPAYMENT PLAN

## Step One

Multiply your principal balance by the constant multiplier (from Chart D) for the interest rate on your loans

Principal Balance	multiplied by	Constant Multiplier from Chart D	equals	Result
\$ _____	x	_____	=	\$ _____

## Step Two

Next, multiply the result from Step 1 by the income percentage factor (from Chart E) that corresponds to your income.

Step 1 Result	multiplied by	Income Percentage Factor from Chart E	equals	Result
\$ _____	x	_____	=	\$ _____

## Step Three

Calculate your discretionary income, which is AGI minus the poverty guideline (from Chart F) for your family size.

AGI	minus	Poverty Guideline from Chart F	equals	Discretionary Income
\$ _____	-	_____	=	\$ _____

## Step Four

Multiply your discretionary income by 20 percent.

Discretionary Income	multiplied by	.2	equals	Result
\$ _____	x	_____	=	\$ _____

## Step Five

Divide the Step 4 result by 12 months

Step 4 Result	divided by	12 months Factor Interval	equals	Result
\$ _____	÷	_____	=	\$ _____

## Step Six

Compare the Step 2 result with the Step 5 result. The lower amount is your monthly payment. If this amount is greater than \$0 but less than \$5, you are required to make a \$5 payment.

Step 2 Result	Step 5 Result	Estimated Monthly Payment
\$ _____	_____	\$ _____