



Perkins Student Loan Cancellation for Teachers

Background

Current full-time classroom teachers holding a federal Perkins Loan may be eligible for loan cancellation for full-time teaching at a low-income school, or for teaching in shortage areas.

Qualifications for Loan Forgiveness

To qualify for cancellation of up to 100% of a Federal Perkins Loan, a teacher must have served full-time in a public or non-profit elementary or secondary school or education agency that:

- Was located in a Title I eligible District; and
- Had an annual student population of 30% or more Free/Reduced Price lunch eligible students.

To determine if a school is located in a Title I eligible district and has an annual population of 30% or more Free/Reduced Price lunch eligible students, refer to the TCLI directory [here](#).

Alternatively, teachers qualify if they:

- Were employed in any of the service areas listed [here](#); or
- Were serving a shortage area such as a special education teacher, including teachers of infants, toddlers, children, or youth with disabilities; or teacher in the fields of mathematics, science, foreign languages, or bilingual education, or in any other field of expertise determined by a state education agency to have a shortage of qualified teachers.

Loan Forgiveness Increments

A teacher eligible for cancellation under any of the categories listed above can receive cancellation up to 100% of the loan for teaching service in the following increments:

- Year 1: 15%
- Year 2: 15%
- Year 3: 20%
- Year 4: 20%
- Year 5: 30%

Note: Each amount canceled per year includes the interest accrued during that year.

Applying for Loan Forgiveness

- You must request the appropriate forms from the office that administers the Federal Perkins Loan program at the school that holds your loan.

For More Information

- Visit www.nsls.ed.gov
- To share questions or comments, email loans@doe.state.nj.us or call 609-984-4966.