



OFFICE OF THE CHAPTER 13 TRUSTEE

TREATING A STUDENT LOAN IN A CHAPTER 13

THE HIGHER EDUCATION ACT OF 1998 REQUIRES DEBTORS TO REPAY STUDENT LOANS REGARDLESS OF HOW LONG THE DEBT HAS BEEN OWED.

STUDENT LOANS CAN BE TREATED AS FOLLOWS:

- **...TREAT WITH OTHER GENERAL UNSECURED DEBTS...**

PAY THIS DEBT THE SAME AS ALL OTHER GENERAL UNSECURED DEBTS. THE BALANCE WILL LIKELY BE NONDISCHARGEABLE AND PAYABLE WITH INTEREST WHEN THE CHAPTER 13 PLAN COMPLETES.

- **...IF THE LAST PAYMENT ON THE STUDENT LOAN IS DUE AFTER THE LAST CHAPTER 13 PLAN PAYMENT IS DUE...**

CURE THE ARREARAGE AND MAINTAIN THE REGULAR CONTRACTUAL PAYMENTS. THE ARREARAGE MUST BE PAID THROUGH THE CHAPTER 13 PLAN. THE REGULAR CONTRACTUAL PAYMENTS MAY BE PAID EITHER DIRECT OR THROUGH THE CHAPTER 13 PLAN.