

Federal Stafford Student Loans Versus Private Student Loans

	Stafford	Private
Fixed/capped interest	Yes	Most lenders do not offer
Fees and interest	Regulated	Unregulated
Interest subsidies	Possible	No
Dischargeable	No	No
Repayment options	Five	Limited
Postponement	Yes	Unlikely
Forgiveness options	Yes	No
Loan counseling	Required	Possible
Impacts cohort default rate	Yes	No
Tax refund can be directed to loan payment	Yes	No
Subject to wage garnishment	Yes	Yes
Annual limits	Yes	Possible
Tax benefits	Yes	Yes
Ombudsman	Yes	Possible
Requires good credit	No	Yes
Cosigner required	No	Possible
Incentives	Yes	Yes