

FFEL Program Calculation of Quarterly Special Allowance Payment (SAP) Rates for the Quarter Ending June 30, 2023

ISSUE DATE: July 5, 2023

SUBJECT: Federal Family Education Loan Program Calculation of Quarterly Special Allowance Payment Rates for the Quarter Ending June 30, 2023

The U.S. Department of Education is required under section 438 of the *Higher Education Act* to calculate and issue the quarterly SAP rates for the three categories listed below.

TREASURY BILL RATE

The Treasury bill rate is the average of the bond equivalent rates of the 13-week Treasury bills as published by the U.S. Department of the Treasury. For the quarter ending June 30, 2023, the average of the rates is 5.27%.

COMMERCIAL PAPER RATE

The commercial paper rate is the average of the bond equivalent rates of the quotes of the 3-month commercial paper financial rates in effect for each day in such quarter as reported by the Federal Reserve in *Publication H-15* (or its successor) for such 3-month period. For the quarter ending June 30, 2023, the average of the rates is 5.28%.

LIBOR RATE

The London InterBank Offered Rate (LIBOR) rate is the average of the bond equivalent rates of the quotes of the 1-month LIBOR in effect for each day in such quarter as compiled and released by the British Bankers Association. For the quarter ending June 30, 2023, the average of the rates is 5.18%. This will be the last quarter using LIBOR.

ATTACHMENTS

Attachments A, B, C, and D contain the quarterly SAP rates computed pursuant to section 438.

Attachments A, B, C, and D for Quarter Ending June 30, 2023

Attachment A – Regular Special Allowance Rates

Stafford loans (subsidized and unsubsidized), Parent Loan for Undergraduate Students (PLUS) loans, Supplemental Loans for Students (SLS) loans, and Consolidation loans made or purchased with taxable funds.

Stafford (subsidized and unsubsidized), PLUS (fixed-rate; includes student-borrower component of the PLUS Program), and Consolidation loans made prior to 10/1/1981.

CATEGORY SA

Formula: (5.27%) plus (3.5%) less (applicable interest rate), rounded up to the nearest $\frac{1}{8}$ of 1% = annual SAP rate.

For Income-Based Repayment (IBR) the SAP factor for the 3-month period is 0.022188.

Table 1: Category SA

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
7%	0.018750	0.004688
9%	0.00	0.000000

Note: The SAP at Annual Rate and SAP Factor for 3-month Period figures are shown as decimals throughout this memo, e.g., 0.5% (one-half of one percent) is shown as 0.005, 1.5% (one and one-half percent) is shown as 0.015, etc.

Stafford (subsidized only) and PLUS (fixed rate, includes student borrower component of the PLUS program) loans:

- Made on or after 10/1/1981, but prior to 10/17/1986.
- Made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning prior to 11/16/1986.

Consolidation loans made on or after 10/1/1981, but prior to 11/16/1986.

CATEGORY SB

Formula: (5.27%) plus (3.5%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.021925.

Table 2: Category SB

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
7%	0.017700	0.004425
8%	0.007700	0.001925
9%	0.00	0.00
12%	0.00	0.00
14%	0.00	0.00

Stafford loans:

- Subsidized made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning on or after 11/16/1986.
- Subsidized made on or after 11/16/1986, but prior to 10/1/1992.
- Unsubsidized made pursuant to 428H of the Act made prior to 10/1/1992 for periods of enrollment beginning on or after 10/1/1992.

PLUS/SLS loans:

- Fixed-rate made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning on or after 11/16/1986.
- Fixed-rate made on or after 11/16/1986, but prior to 7/1/1987.
- Variable-rate made on or after 7/1/1987, but prior to 10/1/1992, only if the variable-rate for each July 1 - June 30 period reaches the statutory maximum of 12%. Category SD VAR

Consolidation loans made on or after 11/16/1986, but prior to 10/1/1992.

CATEGORY SD

Formula: (5.27%) plus (3.25%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.021300.

Table 3: Category SD

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
4.24% ^{1,2,3}	0.042800	0.010700
4.39% ⁴	0.041300	0.010325
7%	0.015200	0.003800
8%	0.005200	0.001300
9%	0.00	0.00
10%	0.00	0.00
11%	0.00	0.00
12%	0.00	0.00

Note: Fixed-rate Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) or 427A(i)(1) of the Act and that have been converted to a variable rate. Reference 427A(i)(7)(D) of the Act.

Stafford loans:

- Subsidized made on or after 10/1/1992, but prior to 7/1/1995.
- Unsubsidized made on or after 10/1/1992, but prior to 7/1/1995, for periods of enrollment beginning on or after 10/1/1992.
- Subsidized and unsubsidized made on or after 7/1/1995 but prior to 7/1/1998, except during the in-school, grace, and deferment periods.

PLUS/SLS loans:

- Variable-rate made on or after 10/1/1992 but prior to 7/1/1994, only if the variable-rate for each July 1 - June 30 period reaches the statutory maximum of 11% (SLS) or 10% (PLUS).

¹ Fixed-rate 7% Stafford loans (1992 Amendments). Category SD FVAR7

² (a) Fixed-rate 8% Stafford loans, and (b) 8/10% Stafford loans (prior to the 49th month of repayment) (1992 Amendments). Category SD FVAR8

³ (a) Fixed-rate 9% Stafford loans, and (b) 8/10% Stafford loans (on or after the 49th month of repayment) (1992 Amendments). (a) Category SD FVAR9 (b) Category SD FVARX³

⁴ Fixed-rate 8/10% Stafford loans (on or after the 49th month of repayment) (1986 Amendments). Category SD FVAR10

CATEGORIES SE AND SG

PLUS loans:

- Variable-rate made on or after 7/1/1994 but prior to 7/1/1998. Category SG
- Variable-rate made on or after 7/1/1998 but prior to 1/1/2000 (SAP shall not be paid unless the calculated interest rate exceeds the 9% cap). Category SH

Consolidation loans made on or after 10/1/1992 but prior to 10/1/1998.

Formula: (5.27%) plus (3.1%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.020925.

Table 4: Category SE or SG

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
3%	0.053700	0.013425
4%	0.043700	0.010925
5%	0.033700	0.008425
4.24% ^{5,6,7,8}	0.041300	0.010325
5.93% ⁹	0.024400	0.006100
6% ¹⁰	0.023700	0.005925
7%	0.013700	0.003425
8%	0.003700	0.000925
9%	0.00	0.00
10%	0.00	0.00
11%	0.00	0.00
12%	0.00	0.00
14%	0.00	0.00

⁵ Fixed-rate 7% Stafford Loans (1992 Amendments). Category SE FVAR7

⁶ (a) Fixed-rate 8% Stafford loans, and (b) 8/10% Stafford loans (prior to the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate (1992 Amendments). Category SE FVAR8

⁷ (a) All Stafford loans made for periods of enrollment that either begin on or after 7/1/1994 or include that date for which the first disbursement is made on or after 7/1/1994 but prior to 7/1/1995, (b) Stafford loans for which the first disbursement is made on or after 7/1/1995 and before 7/1/1998, except during the in-school, grace, and deferment periods, and (c) consolidation loans for which the loan application was received on or after 11/13/1997 and prior to 10/1/1998. Category SG EVAR

⁸ (a) Stafford loans, made to new borrowers, for which the first disbursement is made on or after 10/1/1992 but prior to 7/1/1994, (b) fixed-rate 9% Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate; see 427A(i)(7)(D) of the Act and (c) 8/10% Stafford loans (on or after the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate (1992 Amendments). (a) Category SE EVAR (b) Category SE FVAR9 (c) Category SE FVAR10

⁹ PLUS loans made on or after 7/1/1994 but prior to 7/1/1998. Category SG EVAR

¹⁰ The 6% interest and SAP rates only apply to Consolidations loans made on or after 7/1/1994.

Note: Fixed-rate Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate. Reference 427A(i)(7)(D) of the Act.

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1995 but prior to 7/1/1998, only during the in-school, grace, and deferment periods.

CATEGORY SH EVAR

Formula: (5.27%) plus (2.5%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.019425.

Table 5: Category SH

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
3.64%	0.041300	0.010325

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1998 but prior to 1/1/2000, only during the in-school, grace, and deferment periods.

CATEGORY SJ EVAR

Formula: (5.27%) plus (2.2%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.018675.

Table 6: Category SJ

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
2.84%	0.046300	0.011575

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1998 but prior to 1/1/2000, except during the in-school, grace, and deferment periods.

CATEGORY SK EVAR

Formula: (5.27%) plus (2.8%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.020175

Table 7: Category SK

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
3.44%	0.046300	0.011575

Consolidation loan made on or after 10/1/1998 but prior to 1/1/2000.

Formula: (5.27%) plus (3.1%) less (applicable interest rate) = SAP rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher $\frac{1}{8}$ of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. Category SL

Attachment B – Special Allowance Rates for Tax-Exempt Loans

Loans made or purchased with (a) funds obtained by the holder from the issuance, or refinancing of obligations originally issued prior to 10/1/1993, or (b) funds derived from default reimbursements, collections, interest, or other income resulting from loans made or purchased with such tax-exempt funds.

Tax-exempt loans, otherwise eligible for SAP, made on or after 10/1/1981.

Formula: (5.27%) plus (3.5%) less (applicable interest rate), divided by two = annual SAP rate, however the annual SAP rate is not less than:

- For loans made prior to 10/1/1992, 2.5% (for 7% loans), 1.5% (for 8% loans), and 0.5% (for 9% loans).
- For loans made on or after 10/1/1992, 9.5% less the applicable interest rate.

For IBR the SAP factor for the 3-month period is 0.02375.

Table 8: Tax Exempt

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
2.84% ¹¹	0.0666	0.01665
3.44% ¹²	0.0606	0.01515
3.64% ¹³	0.0586	0.01465
4.24% ^{14,15}	0.0526	0.01315
4.39% ¹⁶	0.0511	0.012775
6% ¹⁷	0.0350	0.00875
7%	0.0250	0.00625
8%	0.0150	0.00375
9%	0.0050	0.00125

¹¹ Stafford loans made on or after 7/1/1998 but prior to 4/1/2006, only during the in-school, grace, and deferment periods. Category XJ EVAR

¹² Stafford loans made on or after 7/1/1998 but prior to 4/1/2006, except during the in-school, grace, and deferment periods. Category XK EVAR

¹³ Stafford loans for which the first disbursement is made on or after 7/1/1995 and before 7/1/1998, only during the in-school, grace, and deferment periods. Category XH EVAR

¹⁴ (a) 8/10% Stafford loans (on or after the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate, and (b) Stafford loans, made to new borrowers, for which the first disbursement is made on or after 10/1/1992 but prior to 7/1/1994. (1992 Amendments). (a) Category XE FVAR10 (b) Category XE EVAR

¹⁵ (a) All Stafford loans made for periods of enrollment that either begin on or after 7/1/1994 or include that date for which the first disbursement is made on or after 7/1/1994 but prior to 7/1/1995 and (b) all PLUS loans made on or after 1/1/2000 but prior to 4/1/2006. (a) Category XG EVAR (b) Category XQ EVAR

¹⁶ Fixed-rate 8/10% Stafford loans that were subject to the windfall profits provisions of 427A(i)(1) of the Act and that have been converted to a variable rate: reference 427A(i)(7)(D) of the Act (1986 Amendments). Category XB FVAR10

¹⁷ The 6% interest rates and SAP rates apply to Consolidation loans made on or after 7/1/1994 with tax-exempt funds.

Attachment C – Special Allowance Rates Based on Commercial Paper Rates

Loans made on or after 1/1/2000 for which the SAP is calculated.

Stafford loans (subsidized and unsubsidized):

- Made on or after 1/1/2000 but prior to 4/1/2006, only during the in-school, grace, and deferment periods.
- Made on or after 4/1/2006 and prior to 10/1/2007, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the *Higher Education Reconciliation Act (HERA)*.

Formula: (5.28%) plus (1.74%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.017550.

Table 9: Categories CA or CE

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
2.84% ¹⁸	0.041800	0.010450
2.84% ¹⁹	0.041800	0.010450
6.80% ²⁰	0.002200	0.000550

Stafford loans (subsidized and unsubsidized):

- Made on or after 1/1/2000 but prior to 4/1/2006, except during the in-school, grace, and deferment periods.
- Made on or after 4/1/2006 and prior to 10/1/2007, expect during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

¹⁸ Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. Category CA EVAR

¹⁹ Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. Category CE EVAR

²⁰ Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Category CE

Formula: (5.28%) plus (2.34%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.019050.

Table 10: Categories CB or CF

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
3.44% ²¹	0.041800	0.010450
3.44% ²²	0.041800	0.010450
6.80% ²³	0.008200	0.002050

PLUS loans:

- Made on or after 1/1/2000 but prior to 4/1/2006.
- Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.28%) plus (2.64%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.019800.

Table 11: Categories CD or CH

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
4.24% ²⁴	0.036800	0.009200
4.24% ²⁵	0.036800	0.009200
8.50% ²⁶	(0.005800)	(0.001450)

Consolidation loans:

- For applications received on or after 1/1/2000 and prior to 4/1/2006. Category CC
- Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA. Category CG

Formula: (5.28%) plus (2.64%) less (applicable interest rate) = annual SAP rate.

²¹ Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. Category CB EVAR

²² Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. Category CF EVAR

²³ Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Category CF

²⁴ PLUS loans made on or after 1/1/2000 but prior to 4/1/06. Category CD EVAR

²⁵ PLUS loans made on or after 4/1/2006 but prior to 7/1/2006. Category CH EVAR

²⁶ PLUS loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category CH

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8 of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here.

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.28%) plus (1.19%) less (applicable interest rate) = annual SAP rate.

For IBR the 3-month period factor for SAP is 0.016175 and for SAP Not for Profit (NFP) is 0.016550.

Table 12: Category CI

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
5.6% ²⁷	0.008700	0.002175	0.002550
6.0% ²⁸	0.004700	0.001175	0.001550
6.8% ²⁹	(0.003300)	(0.000825)	(0.000450)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, *except* during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.28%) plus (1.79%) less (applicable interest rate) = annual SAP rate.

For IBR the 3-month period factor for SAP is 0.017675 and for SAP NFP is 0.018050.

Table 13: Category CJ

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
5.6% ³⁰	0.014700	0.003675	0.004050
6.0% ³¹	0.010700	0.002675	0.003050
6.8% ³²	0.002700	0.000675	0.001050

²⁷ Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Category CI

²⁸ Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Category CI

²⁹ Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category CI

³⁰ Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Category CJ

³¹ Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Category CJ

³² Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Category CJ

PLUS loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.28%) plus (1.79%) less (applicable interest rate) = annual SAP rate.

For IBR the 3-month period factor for SAP is 0.017675 and for SAP NFP is 0.018050.

Table 14: Category CM

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
6.0% ³³	0.010700	0.002675	0.003050
8.5% ³⁴	(0.014300)	(0.003575)	(0.003200)

Consolidation loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.28%) plus (2.09%) less (applicable interest rate) = annual SAP rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8 of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. Category CK

³³ PLUS loans made on or after 10/1/2007 but prior to 7/1/2010. Category CM

³⁴ PLUS loans made on or after 10/1/2007 but prior to 7/1/2010. Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category CM

Attachment D – Special Allowance Rates Based on LIBOR Rates

Loans made on or after 1/2/2000 for which the SAP is calculated using LIBOR.

Stafford loans (subsidized and unsubsidized):

- Made on or after 1/1/2000 but prior to 4/1/2006, only during the in-school, grace, and deferment periods.
- Made on or after 4/1/2006 and prior to 10/1/2007, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (1.74%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.017300.

Table 15: Categories LA or LE

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
2.84% ³⁵	0.040800	0.010200
2.84% ³⁶	0.040800	0.010200
6.80% ³⁷	0.001200	0.000300

Stafford loans (subsidized and unsubsidized):

- Made on or after 1/1/2000 but prior to 4/1/2006, except during the in-school, grace, and deferment periods.
- Made on or after 4/1/2006 and prior to 10/1/2007, except during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

³⁵ Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. Category LA EVAR

³⁶ Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. Category LE EVAR

³⁷ Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Category LE

Formula: (5.18%) plus (2.34%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.018800.

Table 16: Categories LB or LF

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
3.44% ³⁸	0.040800	0.010200
3.44% ³⁹	0.040800	0.010200
6.80% ⁴⁰	0.007200	0.001800

PLUS loans:

- Made on or after 1/1/2000 but prior to 4/1/2006.
- Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (2.64%) less (applicable interest rate) = annual SAP rate.

For IBR the SAP factor for the 3-month period is 0.019550.

Table 17: Categories LD or LH

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period
4.24% ⁴¹	0.035800	0.008950
4.24% ⁴²	0.035800	0.008950
8.50% ⁴³	(0.006800)	(0.001700)

Consolidation loans:

- For applications received on or after 1/1/2000 and prior to 4/1/2006. Category LC
- Made on/after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA. Category LG

Formula: (5.18%) plus (2.64%) less (applicable interest rate) = annual SAP rate.

³⁸ Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. Category LB EVAR

³⁹ Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. Category LF EVAR

⁴⁰ Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Category LF

⁴¹ PLUS loans made on or after 1/1/2000 but prior to 4/1/2006. Category LD EVAR

⁴² PLUS loans made on or after 4/1/2006 but prior to 7/1/2006. Category LH EVAR

⁴³ PLUS loans made on or after 7/1/06 but prior to 10/1/07. Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category LH

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher ¼ of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here.

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (1.19%) less (applicable interest rate) = annual SAP rate.

For IBR the 3-month period factor for SAP is 0.015925 and for SAP NFP is 0.016300.

Table 18: Category LI

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
5.6% ⁴⁴	0.007700	0.001925	0.002300
6.0% ⁴⁵	0.003700	0.000925	0.001300
6.8% ⁴⁶	(0.004300)	(0.001075)	(0.000700)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, except during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (1.79%) less (applicable interest rate) = annual SAP rate.

For the 3-month period factor for SAP is 0.017425 and for SAP NFP is 0.017800.

Table 19: Category LJ

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
5.6% ⁴⁷	0.013700	0.003425	0.003800
6.0% ⁴⁸	0.009700	0.002425	0.002800
6.8% ⁴⁹	0.001700	0.000425	0.000800

⁴⁴ Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Category LI

⁴⁵ Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Category LI

⁴⁶ Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category LI

⁴⁷ Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Category LJ

⁴⁸ Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Category LJ

⁴⁹ Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Category LJ

PLUS loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (1.79%) less (applicable interest rate) = annual SAP rate.

For IBR the 3-month period factor for SAP is 0.017425 and for SAP NFP is 0.017800.

Table 20: Category LM

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance Factor for 3-month Period	Special Allowance Factor for 3-month Period – NFP
6.0% ⁵⁰	0.009700	0.002425	0.002800
8.5% ⁵¹	(0.015300)	(0.003825)	(0.003450)

Consolidation loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (5.18%) plus (2.09%) less (applicable interest rate) = annual SAP rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8 of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. Category LK

⁵⁰. Category LM

⁵¹ Because this formula resulted in an amount less than zero, these loans will not receive SAP. The rate shown is for the recapture of excess interest. Category LM