Student Loans

Money

Why student debt often behaves differently from other borrowing.

Income-contingent (UK, AUS)	Conventional (much of the US)
Repay a percentage above a threshold	Fixed repayment schedule
Nothing owed below it	Owed regardless of income
Written off after a set period	Rarely written off
Does not appear on a credit report as normal debt	Appears as normal debt
Overpaying can be pointless	Overpaying reduces total interest

THE DIFFERENCE THAT MATTERS

Under an income-contingent system, many borrowers never repay the full amount — so overpaying can be money simply given away.

General education, not financial advice. Establish which system applies to you before making any overpayment.