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Long-Term Tax Strategies For Student Loan Borrowers

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If you're one of the more than 40 million Americans paying down student loan debt, it's important to understand the tax implications of that debt — not only on the tax return you'll file this year, but in the long run.

Those with student loans are probably aware that the interest you pay on your loans is tax deductible, as long as your income falls within eligibility limits.

If you qualify — see details in Credible's "[Guide to tax season](#)" — you can knock up to \$2,500 off of your taxable income, saving up to \$625 on your taxes (your savings will depend on your tax bracket).

That's nothing to sneeze at. But if you're carrying five- or six-figure student loan debt, there are bigger long-term tax issues to consider

Carrying a lot of student loan debt means you're probably making sizable monthly payments on that debt. Those monthly payments limit your ability to sock away money for [retirement](#), or pursue dreams and opportunities like becoming a homeowner or starting your own business.

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