

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



October 13, 2022

OTR TAX NOTICE 2022 - 07

TAXABILITY OF STUDENT LOAN FORGIVENESS IN THE DISTRICT

On August 24, 2022, President Biden announced student loan debt forgiveness up to \$20,000 for qualifying individuals. The discharge of student loan debt will be exempt from federal gross taxable income from January 1, 2021 through December 31, 2025. *See* Internal Revenue Code § 108(f)(5).

In the District, the provisions of the Internal Revenue Code are effective on the same dates that they are effective for federal tax purposes. *See* D.C. Code § 47-1801.04(28). Additionally, the term “gross income” has the same meaning in the District as it is defined in Internal Revenue Code § 61. D.C. Code § 47-1803.02(a).

Therefore, since the District conforms to the Internal Revenue Code § 108(f)(5), to the extent a student loan is forgiven and the forgiveness is excluded from federal taxable income, then the amount will also be excluded from District taxable income.

For additional information, please contact OTR’s Customer Service Center at e-services.otr@dc.gov or (202) 759-1946.