



Getting Married During Medical School or Residency

Many students and residents decide to get married during their education or training periods, and though it is no secret that marriage is a life-changing experience, it is especially important for medical students and residents to understand the ramifications it will have on their finances.

Tax Incentives

The IRS provides married taxpayers with two options when it comes to filing taxes: 1) a joint tax return or 2) married filing separate. In general, filing separately provides fewer tax benefits than filing jointly. For example, eligibility for [Education Tax Incentives](#) is not available for married couples that file separate. Qualifying taxpayers benefit from these tax credits and tax deductions which include:

- Tuition and Fees Deduction
- Student Loan Interest Deduction

Alternatively, though filing jointly generally offers more tax deductions, this status may also increase the amount of the required student loan payment under a repayment plan like [Income-Based Repayment](#).

In sum, deciding how to file taxes has a far reaching impact (greater than discussed here). Therefore, it is a wise decision to enlist the advice of a certified accountant to help provide clarity on the pros and cons of each option.

Repayment Options

Federal student loans offer flexibility during repayment by allowing bor-

rowers to both [Postpone Loan Repayment during Residency](#) and to select between five different [Loan Repayment Plans](#).

Regarding marriage, the only plans impacted are the two that include “household income” as part of their basis – Income Sensitive/Income Contingent and Income-Based Repayment (IBR).^{*} The remaining three plans (Standard, Graduated and Extended) are not impacted by the borrower’s marital status.

For questions about specific repayment amounts and plans, contact your lender or servicer.

^{*}Couples that file “married filing separate” will not be affected by their spouse’s income under IBR.

FAFSA Considerations

The FAFSA (Free Application for Federal Student Aid) is used to determine the amount of aid for which a student qualifies. Whether married or not, this step in the [Financial Aid Application Process](#) must be completed by anyone seeking assistance with the cost of education. For married couples, the FAFSA continues to be required *every year* for *each* individual. As a married student, your

parent’s financial information is no longer required on the FAFSA; however, a medical school may ask for this information to be submitted separately in order to determine eligibility for other aid.

Other Repayment Tips and Strategies

- **Aggressively repay the most expensive debt first** – After making the required minimum payments on all loans, focus additional payments to high rate debt^{*}
- **Unsubsidized loans are always accruing interest** – Reduce the cost of student loans by paying some or all of the interest as it accumulates during school and residency
- **Develop a realistic budget** – [Manage Your Money](#) during the lean years so that you can pay off your debt faster and live like a doctor sooner
- **Understand and Protect Your Credit** – [Your Credit Score](#) will determine how much life costs you, so understand and protect it against [Identity Theft](#).

^{*}[Credit cards](#) and private loans are generally the most expensive types of debt