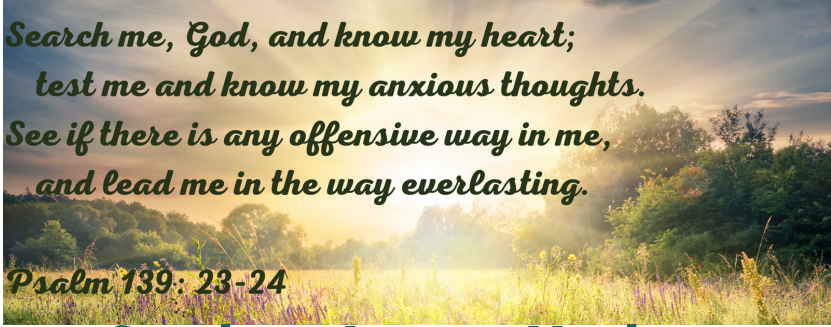




THE LEGAL ADVISOR

The official newsletter of Scranton Road Legal Clinic



*Search me, God, and know my heart;
test me and know my anxious thoughts.
See if there is any offensive way in me,
and lead me in the way everlasting.*

Psalm 139: 23-24

Student Loans Update

by Lillie Burkons, Staff Attorney

People with certain qualifying student loans have been given some extra help during the pandemic.

Many student loan payments, for instance, were suspended and interest rates were eliminated temporarily following the CARES Act. This legislation also paused collections on defaulted, qualifying student loans.

To give Americans additional COVID-19 crisis help, the Biden administration implemented the American Rescue Plan, in March of 2021.

Plan highlights include the following:

- Student loan forgiveness is tax free through 2025.
- It's now easier for people with student loans to qualify for a mortgage.
- If an employer pays on a student loan, up to \$5,250 is tax free, per employee.
- Wages should not be garnished/withheld, and collections should not be calling you about your student loan debt at this time.
- Interest on student loans should not be accruing right now.
- Tax refunds and Social Security payments can not be withheld as payment toward student loans.

Suspended student loan payments are set to end on Sept. 30, 2021. At that time, auto-debits and interest will resume. Consider contacting your loan servicer to ensure accurate contact information and loan status. In addition, now would be a great time to determine whether your student loan repayment program is the best one for you. There are some great local resources that can help you with your student loans.

Please note: If you made payments during the suspension period, your loan was one that qualified for the "administrative forbearance" suspension period, and you face a sudden hardship, you may request a refund of those payments.

Eviction Moratorium 101

Last year the CDC, under federal authority, issued a stay on evictions, when a tenant couldn't make rental payments.

During this time, landlords could not remove any resident / tenant from their home due to failure to pay, as long as they made efforts to obtain rental assistance, among other requirements. While the Moratorium did not protect people from home foreclosures, it provided much needed housing security during the pandemic. The eviction Moratorium, however, is ending on July 31, 2021.

The first stage of an eviction is a 3-day notice. The notice does not mean you have to move yet. After the notice time period, a landlord may file an eviction in court. The tenant has to be properly notified of this filing. Thereafter, the court will set a hearing date, at which the tenant needs to prove their case. The judge will decide if there is enough evidence for eviction.

CHILD TAX CREDIT: To assist Americans with children, the age of a "dependent" for purposes of calculating the tax credit, was recently increased from 16 to 17. Child tax credits that are being issued by the federal government are not allowed to be intercepted for the purposes of paying back a defaulted student loan. Furthermore, child tax credit funds that are deposited into a bank account may be protected from any interception up to a certain amount, depending on the state.

UNUSUAL LAWS

Strange Laws Around the US

- In South Carolina, you may not keep a horse in a bathtub.
- In Ohio, you must honk when passing someone on the right.
- In Youngstown, it is illegal to ride on the roof of a taxi cab.



**Check out online virtual Know Your Rights Workshops at www.scrantonroadministries.org/legal
New Child Support/Child Custody Law Seminar Uploaded**

Formed in 2012, Scranton Road Legal Clinic educates and empowers our neighbors to make educated and prudent legal decisions, while providing the holistic support for the spiritual, emotional and relational problems that often accompany legal concerns. We offer brief advice via our brief advice telephone line at 216.861.5323 or via our online intake form at www.scrantonroadministries.org/legal. Contact us today to discuss your legal need.