

Student Study Loans

HECS-HELP and Repaying your Study Loan



Australian Government

StudyAssist

Information for students about government assistance for financing tertiary study.



Australian Government

Australian Taxation Office

Introduction to Student Study Loans

FAQS

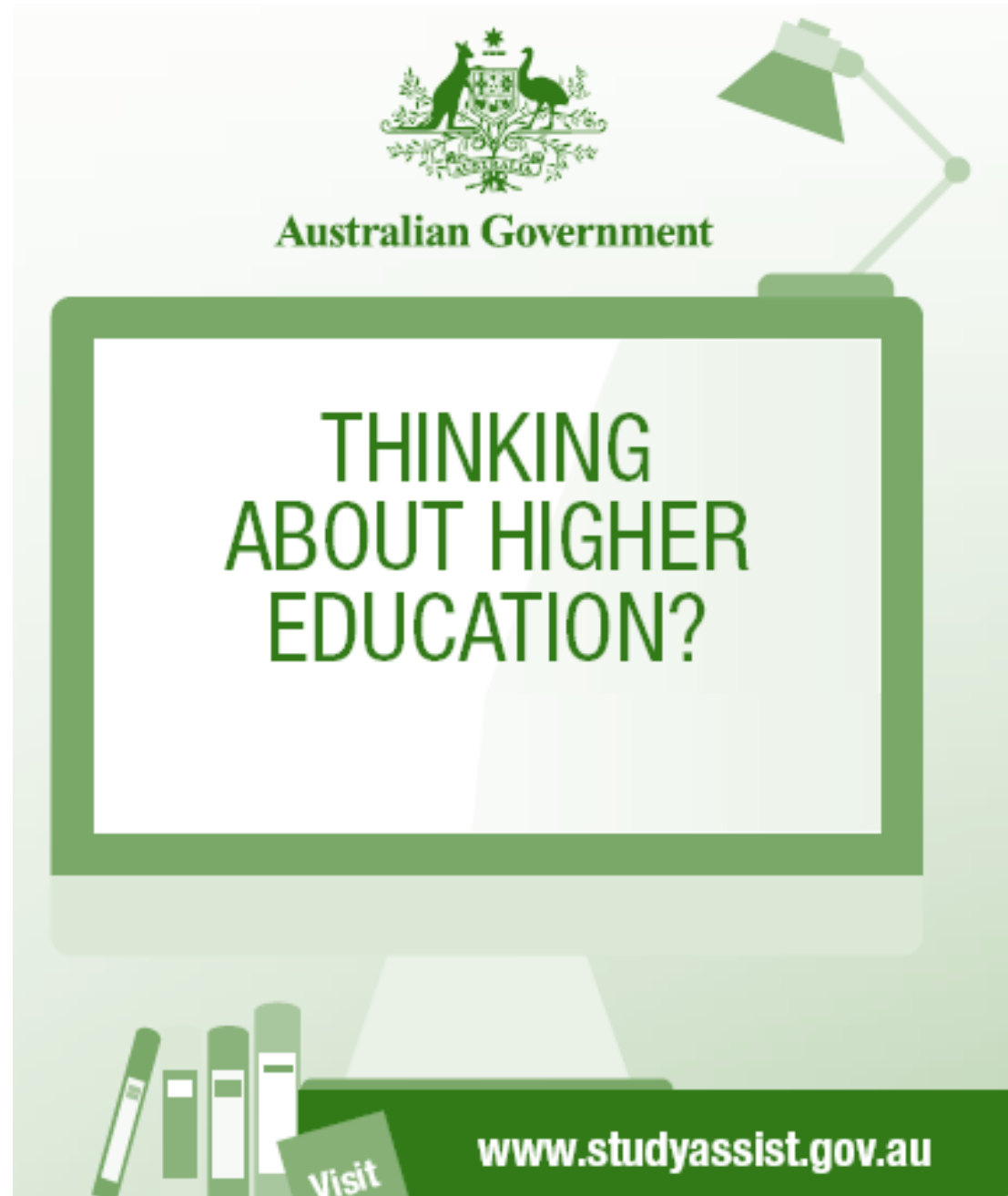
What is HECS?

Who has access to HECS?

How much are my fees going to be?

How do I set up a HECS account?

How do I repay my HECS debt?



Commonwealth Supported Places (CSP)

Most students who choose to study at university or TAFE will enrol in a Commonwealth Supported Place.

Commonwealth Supported Place ...a place at a university or TAFE with lower course fees. The course fees are lower because the Australian Government pays a portion of your fees directly to the university/TAFE.

University fees are set by the federal government.

What does *subsidised* mean?

In this case, subsidised means that the government will pay a portion of your course fees for you leaving you to pay the remaining amount.



Who Can Access a Commonwealth Supported Place?

ALL Permanent Residents and Australian and New Zealand citizens are eligible to apply for a Commonwealth Supported Place (CSP) at university or TAFE.

If you are an international student you are not eligible for CSP courses. You will need to pay the full fee of your course each semester.

Commonwealth Supported Place (CSP): Who Pays What?

Australian Government Subsidy

(Government pays)

Depending on the course, the government currently subsidises the cost of university anywhere between 7.5% and 75%

The government provides less of a subsidy for law, business and humanities courses

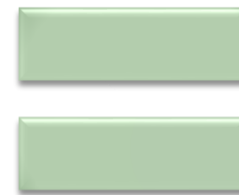


Student Contribution

(You pay)

Students can pay their portion of fees by:

1. Opening a HECS-HELP Student Loan
2. Paying per semester



Commonwealth Supported Place

(CSP)

Commonwealth Supported Place (CSP): Example

Australian Government Subsidy

(Government pays)

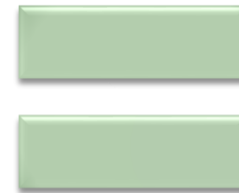
The government will pay 75% of the fees for a Nursing degree.



Student Contribution

(You pay)

The student will pay the remaining 25% of fees.



Commonwealth Supported Place

(CSP)

Bachelor of Nursing

How Much Do Students Contribute to Fees?

Depending on your area of study, this table shows how much your contribution will be to your university fees.

Student Contribution Band	2021 Student Contribution Range <i>Per Year</i>
Band 4: Law, accounting, administration, economics, commerce, communications, society & culture.	\$14,500
Band 3: Dentistry, medicine, veterinary science.	\$11,300
Band 2: Computing, built environment, other health, allied health, engineering, surveying, environmental studies, science, pathology, psychology, social work, visual and performing arts.	\$7,950
Band 1: Agriculture, English, mathematics, education, clinical psychology, indigenous and foreign languages, nursing, statistics.	\$3,950

This is the amount that most students will defer to a HECS-HELP student loan. This is how much you will pay.

Class Activity: Work out Claudia's Fees!

Claudia wants to study a 4 year Bachelor of Civil Engineering degree.

1. What Student Contribution Band does Claudia categorise as?
2. How much will her fees be per year?
3. How much will her fees be by the end of her degree?



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Band 1: Agriculture, English, mathematics, education, clinical psychology, indigenous and foreign languages, nursing, statistics.	\$3,950

Your Turn! Calculate Your Fees!

Use the table to determine the fees you will pay for your chosen degree.

1. What course do you want to apply for?
2. Is it a 3, 4 or 5 year degree?
3. What Student Contribution Band does your chosen course categorise as?
4. What would your yearly fees be?
5. What would your fees be at the end of your degree?

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Paying Your Fees: HECS

Students can pay their fees upfront every semester. However, this is often too much for students/parents to pay.

Most students pay their fees by setting up a HECS-HELP student loan when they enrol in a university course.

What is HECS-HELP? (Higher Education Contribution Scheme)

HECS-HELP is a student loan scheme to help eligible students pay their student contribution amounts. For students studying at TAFE, your student loan is called VET FEE-HELP.

Will I pay interest on my student's loan?

No! However, you will have to pay a small Consumer Price Index (CPI) amount annually which reflects the increases in the cost of living.

Currently set at 0.6% - lowest it's been in the last 10 years.

Applying for a HECS Loan

To apply for a HECS-HELP loan you will need to:

- Accept a course offer and enrol in a CSP course (this is done online!)
- Fill out an eCAF form provided by the university/TAFE
- Apply for a **Tax File Number** (this is also done online!) You can do this **NOW!**

Tax File Number (TFN)

- You can apply for a TFN online at <https://www.ato.gov.au/Individuals/Tax-file-number/Apply-for-a-TFN/>
- **A TFN takes at least 28 days to process so don't leave it until the last minute!**

Who Can Access a HECS-HELP Loan?

Australian Citizens

NZ Citizens who are on a SCV and have lived in Australia for 10 years +

Permanent Residents on a Humanitarian Visa ONLY

All other students who do not fall into these categories should see Stephanie in the Careers Office for more information.

Repaying Your HECS-HELP Debt

When will I have to start paying back my loan?

- You will not have to start paying back your HECS-HELP debt until you have graduated from university, are employed and earning over **\$46,620**.
- The HECS-HELP repayment threshold **changes every year**.
- Once you start earning over **\$46,620** the government will start deducting small amounts from your pay as HECS-HELP debt repayments directly from your employer.

Name:		Pay Type:				
Employee ID:		Pay Calendar:				
Classification:		Period From:	20/04/2014			
Salary Step:		Period To:	03/05/2014			
Location:		Pay Date:	01/05/2014			
Region:		Time Fraction:	1.00			
Salary Range: \$59,106.00 - \$68,083.00		Weekly Hours:	38.00			
		Annual Salary/TRP:	\$66,088.00			
Tax Scale		TFN Status		HELP Debt	SFSS Debt	Total Rebate
2 - Tax Free Threshold Claimed		TFN Provided		Yes	No	\$0.00
Pay Details		Dates	Percent	Units	Rate	Amount
Earnings						
Regular Earnings				76.00	33.330884	\$2,533.15
Special Payment						\$153.32
Pre Tax Deductions						
Note Books						\$4.00
Taxation						
Marginal Tax						\$588.00
HELP Amount						\$148.00
Disbursement Details		BSB	Account	Amount		Net Pay
						\$ 1,946.47

How Much Will My HECS-HELP Repayments Be?

- The amount you repay each year is calculated as a percentage of your annual income.
- The more you earn, the higher your repayment will be. Repayments are capped at 10% of your income once you earn more than \$136,740.
- All you need to do is let your employer know that you have a HECS debt and they will do the rest!

<u>Repayment income (RI)</u>	<u>Repayment rate</u>
Below \$46,620	Nil
\$46,620 - \$53,826	1.0%
\$53,827 - \$57,055	2.0%
\$57,056 - \$60,479	2.5%
\$60,480 - \$64,108	3.0%
\$64,109 - \$67,954	3.5%
\$67,955 - \$72,031	4.0%
\$72,032 - \$76,354	4.5%
\$76,355 - \$80,935	5.0%
\$80,936 - \$85,792	5.5%
\$85,793 - \$90,939	6.0%
\$90,940 - \$96,396	6.5%
\$96,397 - \$102,179	7.0%
\$102,180 - \$108,309	7.5%
\$108,310 - \$114,707	8.0%
\$114,708 - \$121,698	8.5%
\$121,699 - \$128,999	9.0%
\$129,000 - \$136,739	9.5%
\$136,740 and above	10%

Extra Assistance

Students can also see **Stephanie** in the **Careers Office, GP Downstairs**, for more information or a copy of this PowerPoint.

Next week students will receive a **VTAC & SEAS Handbook** which will include an FAQ section on HECS-HELP and repaying your student loan.

NZ Citizens and Permanent Residents should see Stephanie regarding university and TAFE fees to discuss options.

USEFUL WEBSITES

For more information on Commonwealth Supported Places and HECS-HELP loans, visit:
www.studyassist.gov.au

To apply for a Tax File Number, visit:
<https://identityservice.auspost.com.au/ato/landing>