

**Get your
results.
Get online.
Get 2012
sorted!**

**As soon as
you know your
2011 results, get
online and apply
for 2012.**

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A service of the Ministry of Social Development

newzealand.govt.nz

Make life easier!

Sign up to get your Student Loan Contract online when you apply for 2012.

If you're a returning student, have previously had a Student Loan and aged 18 years and over you can sign up to view and accept your Student Loan contract online.

You'll be able to check it anywhere, anytime and get your student finance sorted faster.

Go to studylink.govt.nz to find out more.

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THINKING ABOUT APPLYING FOR A STUDENT LOAN?

**There are changes you
need to know about.**

Significant changes were made to the Student Loan scheme in 2010, including the introduction of a performance measure and a life-time limit.

Further changes to the scheme were announced in the 2011 Budget and will come into effect over the next two years.

This leaflet explains these changes. Please take the time to read it so you understand how the changes may affect you.

Find out more

For more information about these changes go to **www.studylink.govt.nz**.

To find out more about getting a Student Loan and paying one back go to **www.studentloans.studylink.govt.nz**.

Understanding EFTS

EFTS stands for Equivalent Full-Time Student.

What is EFTS?

EFTS is a measure of the amount of study or workload involved in undertaking a course and is used to decide if a course is full-time or part-time.

A year of full-time study is generally between 0.8 EFTS and 1.2 EFTS.

If you're unsure about the EFTS value of your course, or how many EFTS you have passed, you will need to talk to your education provider.

If you have studied 1.6 EFTS since first receiving a loan for study ending in 2009 or later, you will be asked to declare how many EFTS you've passed when you next apply.

Life-time limit

From 1 January 2011, there is a life-time limit of 7 EFTS for Student Loans.

The count towards your 7 EFTS limit includes all study that you have had a Student Loan for, from 1 January 2010.

Exceptions to the life-time limit

You can use more than 7 EFTS in these situations:

- finishing a paper or course even if it takes you over the 7 EFTS limit
- up to an additional 1 EFTS to complete post graduate study
- up to an additional 3 EFTS if you undertake doctoral study.

Generally, you will not be able to receive more than 10 EFTS of Student Loan entitlement when these extensions are included.

Performance requirement

From 1 January 2011, a performance measure was introduced for Student Loans.

How is your performance measured?

Once you have studied 1.6 EFTS since you first received a Student Loan for study ending in 2009 or later, your performance for that study, and any future study, will be assessed.

We will only look at your most recent five years of previous study. For example, if you enrol to study in 2015, only your results from the five years 2010 to 2014 will be checked.

You will need to have passed at least half of your EFTS to be eligible for another Student Loan.

To work out how many EFTS you've studied, you can use the Student Loan performance calculator on our website www.studylink.govt.nz.

What happens if you don't meet the performance requirement?

If you do lose access to the Student Loan you can regain it by studying without a Student Loan until you have passed at least half of the EFTS of your total study.

If you did not pass at least half your EFTS due to reasons beyond your control, you may still be able to get a Student Loan.

For more information go to www.studylink.govt.nz.

Changes for 2012

The following changes will apply for study starting on or after 1 January 2012.

Part-time, full-year students no longer eligible for CRCs

Part-time full-year students will no longer be entitled to borrow the course-related costs component of the Student Loan. You'll need to be studying full-time or limited full-time with StudyLink's approval to be eligible.

Residency requirement change – “protected persons”

If you were sponsored into New Zealand by a family member with protected person status, you will be exempt from the two-year stand-down that applies to Australian citizens and New Zealand residents who apply for Student Loans.

Other changes you need to know about

The following changes were also announced that will affect students who have a Student Loan:

- From 1 April 2012, the current three-year term of the repayment holiday will be shortened to one year. Borrowers will need to apply for the repayment holiday and provide a contact person on application. This change is subject to legislation expected to be passed in 2012.
- From 1 April 2012, borrowers will no longer be able to include losses in the calculation of income for repayment purposes. This change is subject to legislation expected to be passed in 2012.
- The repayment threshold will remain at \$19,084 until 31 March 2015.

Further changes to Student Loans are also underway with the recently enacted Student Loan Scheme Act 2011.

The following changes will affect borrowers:

- Borrowers will be able to see a complete view of their StudyLink and Inland Revenue loan balances.
- Student Loan repayment obligations will be calculated based on earnings per pay period, removing the need for annual square ups for the majority of borrowers.
- Borrowers who have a Student Loan balance with Inland Revenue will be charged \$40 every year until their loan is fully repaid. Note: This will not apply to borrowers who have been charged a StudyLink establishment fee in the same year.
- Student Loans of serious defaulters will be able to be recalled in full.

The majority of these changes will take effect from April 2012.

For more information go to

www.ird.govt.nz/studentloans.

Changes for 2013

The following changes will take effect in 2013.

Students aged 55 and over

From 1 January 2013, students aged 55 years and over won't be eligible for living costs or course-related costs. They will only be eligible for the compulsory fees component of the Student Loan.

Note: If you were enrolled in a qualification on 19 May 2011 and:

- were aged over 55 or
- will reach 55 before 1 January 2013

you'll be able to get a loan for living costs and course-related costs for that same qualification, until you complete that qualification or until 1 January 2015, whichever is earlier.

Contact person for new loan applicants

For study starting on or after 1 January 2013, all students applying for a Student Loan will be required to provide a contact person as a condition of accessing the Student Loan Scheme.

This will give Inland Revenue an alternative person to contact in the event you have lost touch and have outstanding repayment obligations. You'll need to confirm that your alternative contact agrees to being named in your Student Loan application before you apply.

Overdue loan repayment obligations

For all Student Loan applications made on or after 7 February 2013, you will need to have met your repayment obligations with Inland Revenue to get another Student Loan.

You won't be able to get a Student Loan while you have an outstanding repayment obligation of \$500 or more which has been overdue for a year or more.

How to contact us

Website: **www.studylink.govt.nz**

Phone: **0800 88 99 00**

Fax: **0800 88 33 88**



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