

Client number 402 244 610  
14 December 2012

20198827386

Kina Nicholls  
50 Victory Crescent  
Burwood  
Christchurch 5028

Dear Kina

### **Important information about your Student Loan**

Your Student Loan details have changed as of 07 December 2012. We have enclosed a further Loan Entitlement Advice that has more details. Please check it carefully.

#### **Like to make a repayment?**

If you can afford to, it's a good idea to make repayments towards your loan while you're still studying, even if you're earning less than the repayment threshold.

You can make repayments towards your loan to StudyLink anytime after you've received your first payment, up until your loan is transferred to Inland Revenue, on 28 February of the year after your course finishes.

Repayments can be made by cheque or by automatic payment. If you make a repayment to StudyLink it won't show on your Inland Revenue statement. If you would like to make payments by automatic payment please call StudyLink on **0800 88 99 00** and we'll send you an automatic payment form.

If you are making repayments by cheque, please include your name, address, StudyLink client number, IRD number and a note stating the cheque is for your Student Loan.

Any Student Loan borrower who has been in New Zealand for 183 or more consecutive days will be eligible for an interest free Student Loan.

Interest charged will still show on your statements, but will be automatically written off by Inland Revenue after 31 March of the year your loan account is transferred to them.

Confirmation of the write-off will be sent out after April.

For more information on interest write-offs and interest free student loans, visit Inland Revenue's **MyStudyLink – Get it all done online at [www.studylink.govt.nz](http://www.studylink.govt.nz)**

Phone **0800 88 99 00** • Fax **0800 88 33 88**

FreePost 113907 • StudyLink Student Support Centre • Private Bag 11070 • Palmerston North 4442

To use the online service go to **[www.ird.govt.nz](http://www.ird.govt.nz)**, click on "Register now" and follow the instructions provided. You will need your IRD number to register and your password is sent to you in the mail.

Remember, Inland Revenue doesn't have information on loans still held by StudyLink. To pay off your loan in full, you may have to pay off your loan with StudyLink as well as any balance.

**Note** if you aren't eligible for an interest free Student Loan and you did not pay the full amount of your loan balance within 15 days of receiving a loan statement, interest will continue to accrue from the date the statement was issued up to the date of payment.

Please note that any repayments you make to us only reduce the balance of any loan account we currently hold. This does not reduce any obligations you may already have for loan repayments to Inland Revenue. Once your loan has been transferred to Inland Revenue, you will need to make repayments to them. Further details will be provided with your final Student Loan Statement.

### **Need help?**

You can find more information on our website **[www.studylink.govt.nz](http://www.studylink.govt.nz)**. If you have got some questions try our "Ask a question" service on our homepage. We're updating the information all the time using the questions we get asked most often by students or you can call us on **0800 88 99 00**. Please have your client number handy.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'S O'Hagan', with a small dot at the end.

Sarah O'Hagan  
National Manager  
Service Delivery  
StudyLink

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 20209604576

## Change to your Student Loan Entitlement Advice as at 19 August 2011

Payments start date: 22/02/2012		Payments end date: 28/02/2013
Name:	Kina Nicholls	Client number: 402 244 610
IRD Number:	99 625 112	

Bank account number: 03 1534 0401997 000

This is the account to which living costs and course-related costs are paid.

If you change the bank account you use for payments, **please** check the payments are going to the new account before you close the old one.

### Weekly living cost payments

From	To	Status	Maximum entitlement*	Less any allowance	Entitlement available	Amount Nominated	What you get paid
28/02/2011	27/03/2011	Entitled	163.38		163.38	0.00	0.00
28/03/2011	14/08/2011	Entitled	169.51		169.51	0.00	0.00
15/08/2011	13/11/2011	Entitled	169.51		169.51	150.00	150.00

### You'll get your next weekly payment of \$150.00 on Wednesday, 24 August 2011

We'll make any regular living cost payments every week on Wednesday. We don't pay living costs if you aren't a full-time student, if you have applied for a loan for fees only, if you're in prison, if you're receiving a benefit or if you're included in your partner's benefit.

\* The most you can get for living costs is \$169.51 a week when you're studying or on a study break of three weeks or less. You can choose to get less than this if you want as you do need to pay this back. To change the amount you get call us with this information or change the amount online by logging into MyStudyLink from our website. If you get a Student Allowance as well, we'll deduct the amount of your allowance payments from your living costs payments.

### Your Total Student Loan Entitlement (Credit Limit)

	Maximum available	Paid to date	Overdrawn Living Costs	Balance Remaining
Compulsory fees	4532.70	4532.70		0.00
Course-related costs	1000.00	1000.00		0.00
Living costs	2203.63	0.00	0.00	2203.63
<b>Total</b>	<b>7736.33</b>	<b>5532.70</b>	<b>0.00</b>	<b>2203.63</b>

## Payments Drawn

Payments already drawn as at 19 August 2011	5532.70
Establishment fee	60.00

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## Administration Fee

The Government has announced the introduction of an annual administration fee, which may apply once your loan has transferred to Inland Revenue. It is proposed that from 2012, there will be a \$40 administration fee for each tax year that you have a loan balance with Inland Revenue, unless:

- you are charged an establishment fee for that tax year, or
  - your Inland Revenue loan balance on 31 March of that tax year is less than \$20
  - the administration fee will be added to your Inland Revenue loan balance on 31 March of each applicable year, beginning on 31 March 2012.
  - the amount of the administration fee may be increased from time to time and you will be given notice of any increase.
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## Interest Rate

Interest free Student Loans are delivered by an interest write-off, if you meet certain conditions.

Any Student Loan borrower who has been in New Zealand for 183 or more consecutive days will be eligible for an interest free Student Loan.

Interest charged will still show on your statements, but will be automatically written off by Inland Revenue after 31 March of the year your loan account is transferred to them. Inland Revenue will send out written confirmation of the interest write-off after April.

For more information on interest write-offs and interest free student loans, visit Inland Revenue website [www.ird.govt.nz/studentloans](http://www.ird.govt.nz/studentloans)

If you aren't eligible for the interest write-off, the following information explains how interest will be charged.

Interest is charged daily from the first day that you use your loan until you have repaid the loan in full.

The interest rate is now 6.6% pa.

Interest rates are reviewed on 1 April each year.

## Your interest charges to date

	<b>Total Interest</b>
Compulsory fees	<b>130.50</b>
Course-related costs	<b>28.75</b>
Living costs	<b>0.00</b>
Establishment fee <sup>3</sup>	<b>1.94</b>

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## What you'll pay for borrowing your maximum entitlement of \$7736.33 for 12 months

	<b>Total Interest</b>
Compulsory fees	<b>299.16</b>
Course-related costs	<b>66.00</b>
Living costs	<b>145.44</b>
Establishment fee <sup>3</sup>	<b>63.96</b>

**Your total cost of borrowing for 12 months is \$574.56.**

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## **Interest write-off**

Interest charged will still show on your statements, but will be automatically written off by Inland Revenue after 31 March of the year your loan account is transferred to them. Inland Revenue will send out written confirmation of the interest write-off after April.

You may be eligible for an interest-free write-off if you are in New Zealand for at least 183 consecutive days. After you have been overseas for 184 consecutive days you will not be entitled to the interest-free write-off, and interest will be charged from the first day of your absence. Inland Revenue may, in certain circumstances, grant you an exemption if you do not meet the 183-day requirement.

If you have any questions about your eligibility to an interest write-off, you will need to visit the Inland Revenue website **[www.ird.govt.nz/studentloans](http://www.ird.govt.nz/studentloans)**

## **Compulsory Repayments**

If you earn more than the repayment threshold of \$19,084, (about \$367 per week) for the tax year 1 April 2011 to 31 March 2012, you are required to start making repayments towards your loan - even if you are still studying.

If you receive salary or wages, Student Allowance, or other income support, and earn more than the repayment threshold, your employer or organisation paying you, will make repayment deductions from your income on your behalf.

All you need to do is select a Student Loan tax code on your tax code declaration (IR 330) and return it to your employer. Ten cents in every dollar you earn over the repayment threshold will be deducted by your employer, to repay your student loan.

If you are self-employed or earning income from other sources you won't automatically have repayment deductions made from your income. Instead you will file an individual tax return (IR 3) at the end of the tax year. Once you have filed your IR 3, Inland Revenue will work out how much you need to repay towards your Student Loan.

For more information on how to make repayments is available from Inland Revenue's website **[www.ird.govt.nz/studentloans](http://www.ird.govt.nz/studentloans)**

3. We charge this fee only when we make the first payment on your Student Loan.