



# Study and training support loans

Explains income contingent loans for undertaking higher education, trade apprenticeships and other training programs.

## How study and training support loans work



A brief overview of how study and training support loans work, including a video.

## Types of loans



You can find a number of loans available from the Australian Government to help you complete further training and study.

## View your loan account online



How to log on to our online services to view your loan account information, such as your payment reference number (PRN).

## When you must repay your loan



You must start repaying your loan when your repayment income exceeds the minimum repayment threshold.

## Compulsory repayments



How and when compulsory repayments of your study and training support loan are made through the income tax system.

### **Voluntary repayments**



You can make voluntary repayments at any time to help reduce your balance.

### **Overseas obligations when repaying loans**



Provide an overseas travel notification and report your worldwide income if you have a study or training support loan.

### **Deferring repayments**



You may apply to defer your compulsory repayment or overseas levy if you are in serious hardship or for other reasons.

### **Study and training loans – what's new**



Content related to any new legislation for study and training loans.

QC 27090

## **How study and training support loans work**

A brief overview of how study and training support loans work, including a video.

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The government provides financial assistance (in the form of loans) to people undertaking higher education, trade apprenticeships and other

training programs. We have responsibility for the collection of these loans through the tax system.

These are income contingent loans and when your income exceeds the repayment threshold, you will have to start repaying your loan.

Compulsory repayments are made through the tax system. You may also make voluntary repayments to reduce your balance faster. The debt will be indexed annually to keep up with changes in the cost of living. Your loan may grow over time if no compulsory or voluntary repayments are made.

### **Watch**

*Authorised by the Australian Government, Canberra.*

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## **Types of loans**

You can find a number of loans available from the Australian Government to help you complete further training and study.

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## HELP


The Higher Education Loan Program (HELP) assists eligible students with their student contribution or tuition fees from a university or other higher education provider.

There are different types of HELP loans available, depending on the student's circumstances.



For more information see [Study Assist](#) .

## VSL

The VET Student Loans (VSL) program offers protection for students and focuses on courses that address industry needs, creating better opportunities for employment.

VSL offers income contingent loan support to eligible students studying certain diploma level and above vocational education and training qualifications. Use the [VSL Eligibility Tool](#)  as a guide to help check your eligibility for a VET Student Loan.


For more information, see Department of Employment and Workplace Relations, for:

- [Information for VET Student Loans Students](#) 
- [VET Student Loans Information Booklet](#) 

## VET FEE-HELP (VFH)

The former VET FEE-HELP (VFH) scheme operated between 2008 and 2016, with some VFH students continuing to access the scheme until 2018.

Between 1 January 2019 and 31 December 2023, people with VFH loans could apply to have their loans re-credited under the VET FEE-HELP Student Redress Measures, in circumstances where their training provider engaged in 'inappropriate conduct.' These measures have now closed.

To understand more about VFH, see Department of Employment and Workplace Relations, for [Information for former VET FEE-HELP students](#) .

## SFSS

The Student Financial Supplement Scheme (SFSS) was a voluntary loan scheme to help tertiary students cover their expenses while they studied.

This scheme closed on 31 December 2003. However, all existing SFSS loans continue to be collected through the tax system.

For more information see [Department of Social Services: SFSS](#) .


## SSL and ABSTUDY SSL

The Student Start-up Loan (SSL) and ABSTUDY Student Start-up Loan (ABSTUDY SSL) schemes started on 1 January 2016 and replaced the Student Start-up Scholarship payment.

This is a voluntary loan available to eligible students in higher education who receive:

- Youth Allowance
- Austudy
- ABSTUDY Living Allowance.

The Services Australia administers the payments.

For more information see Services Australia – [Student Start-up Loan](#) .

## AASL

Generally, under the Australian Apprenticeship Support Loan (AASL) – previously known as Trade Support Loan (TSL) – program, eligible

Australian apprentices are offered loans over a 4-year period. An Australian Apprentice may attract payments at the fourth-year rate for any additional years of their apprenticeship (past the fourth year) until they complete their apprenticeship or reach the lifetime limit.

A 20% discount will be granted where an Australian Apprentice successfully completes their apprenticeship. The discount applies to the amount borrowed and does not include any indexation that has been applied or repayments that have been made.

AASL payments are administered by the Australian Apprenticeships Centres and the Department of Employment and Workplace Relations.

For more information see [Australian Apprenticeships](#) .

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## View your loan account online

How to log on to our online services to view your loan account information, such as your payment reference number (PRN).

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## Going online

We keep track of any loans you have deferred for payment through the tax system. Your account contains a record of your loan (or loans) including:

- [indexation](#) amounts

- [voluntary](#) and [compulsory repayments](#)
- overseas levy amounts.

You can use our online services to view your loan account and other information, such as your payment reference number (PRN) and voluntary repayment options.

To access our online services for individuals, you need to create a myGov account and link it to the ATO.

If you already have a myGov account linked to the ATO, you can log in at any time.

## Find the balance of your loan accounts:

To locate the balance of your loan accounts:

1. Access **ATO online services**.
2. Select **Tax**.
3. Select **Accounts**.
4. Select **Loan accounts**.

You can make voluntary repayments at any time to reduce the balance of your loan.

[Sign in to myGov and update details](#)

## Can't see your loan information?

As your loan information is transferred to us from other government agencies, **there may be a delay** between when you acquire the loan and when it is reflected in your loan balance.

At any time during the year, you can [contact us](#) to request a statement.

## Indexation

Indexation is when your loan is adjusted to reflect the changes in the cost of living. Your loan may grow over time if no compulsory or voluntary repayments are made. Indexation maintains the 'value' of the education so that no matter how long it takes to repay, a student

would repay an amount that is more like the cost of education today. The indexation figure is calculated each year after the March CPI is released.

There is no interest charged on loan accounts. However, when your loan is more than 11 months old, the balance is subject to indexation, which is applied on 1 June each year.

## Indexation rate calculation change

On 5 May 2024, the government announced that it will cap the HELP indexation rate to be the lower of either the:

- Consumer Price Index (CPI)
- Wage Price Index (WPI).

The government will backdate this relief to all HELP, VET Student Loan, Australian Apprenticeship Support Loan and other student support loan accounts that existed on 1 June 2023. This change will take effect when legislation is passed.

For more information, see [Study and training loans – what's new](#).

## Examples: HELP loan indexed

### Example: all of loan indexed

Erin has \$9,000.00 of HELP loan left to repay from studies that she undertook in 2015–17.

On 1 June 2023, the HELP loan was indexed at 7.1% ( $\$9,000 \times 7.1\% = \$639.00$ ).

As at 1 June 2023, Erin owes  $(\$9,000 + \$639.00) = \$9,639.00$ .

### Example: some of loan indexed

Juan Carlos started his undergraduate degree in 2022. He has a HELP loan of \$15,600.00.

His fees of \$4,800.00 from the first semester (census date of 28 March 2022) will be indexed on 1 June 2023 as they are more than 11 months old ( $\$4,800 \times 7.1\% = \$340.80$ ).



The remaining fees from semester 2, 2022, and semester 1, 2023 won't be indexed on 1 June 2023 as the loans are not yet 11 months old.

As at 1 June 2023, Juan Carlos owes  
 $(\$15,600.00 + \$340.80) = \$15,941.00$ .

### Example: indexation over years

Melinda undertook a 3-year undergraduate degree from 2020–22. She hasn't made any repayments yet. Her HELP loan was indexed each year as follows:

- 1 June 2020 – no indexation was applied, as no part of the loan was 11 months old yet.
- 1 June 2021 – the part of the loan that was 11 months old (Semester 1, 2020) is indexed at 0.6%.
- 1 June 2022 – the part of the loan that was 11 months old is indexed at 3.9%.
- 1 June 2023 – the part of the loan that was 11 months old is indexed at 7.1%.

For more information, see [Study and training loan indexation rates](#).

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## When you must repay your loan

You must start repaying your loan when your repayment income exceeds the minimum repayment threshold.

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## Repaying your loan


You must start making compulsory repayments against your study or training support loan when your repayment income exceeds the minimum repayment threshold. This is even if you are still studying or undertaking an apprenticeship.

The repayment thresholds are adjusted each year to reflect any changes in average weekly earnings.

Compulsory repayments are made through your tax return. You can also make voluntary repayments at any time to reduce your loan balance.

Find out more about [overseas obligations when repaying loans](#).

For more information see:

- [Voluntary repayments](#), for information about the best time to make voluntary repayments
- [Indexation](#), for information on indexation on loans
- [Study and training loan repayment thresholds and rates](#)
- [StudyAssist website](#) 

## Your repayment income

Your repayment income is calculated using the following amounts from your tax return and payment summaries:

- taxable income – not including any assessable First Home Super Saver (FHSS) released amounts

- any reportable fringe benefits (regardless of the exempt status of your employer)
- total net investment loss (which includes net rental losses)
- reportable super contributions
- any exempt foreign employment income amounts.

### **Example: repayment income for an income year**

Christina has a taxable income of \$50,420. In her tax return she claims:

- total net investment loss of \$1,250
- total reportable fringe benefits of \$4,560
- exempt foreign employment income of \$2,580
- reportable super contributions of \$15,000.

Christina's repayment income is  
\$73,810 (\$50,420 + \$1,250 + \$4,560 + \$2,580 + \$15,000).

For more information see:

- [Compulsory repayments](#)
- [Income you must declare](#)

## **Going overseas**

If you have moved overseas and have a Higher Education Loan Program (HELP), VET Student Loan (VSL) or Australian Apprenticeship Support Loan (AASL) – previously known as Trade Support Loan (TSL) – you will have the same repayment obligations as those who live in Australia. This applies even if you already live or intend to move overseas for a total of more than 6 months in any 12 month period.

You will need to update your contact details using our online services through myGov. You will also be required to advise us of your worldwide income if your income exceeds 25% of the minimum repayment threshold for the income year and make a compulsory

repayment. This also applies when you pay an overseas levy towards your loan if you earn over the minimum repayment threshold.

If you have a Student Financial Supplement Scheme (SFSS), Student Start-up Loan (SSL) or ABSTUDY Student Start-up Loan (ABSTUDY SSL) loan and go overseas, we will continue to maintain your loan account. Your loan will not be waived and the amount outstanding will continue to be indexed each year until you have paid off your loan. Your loan may grow over time if no compulsory or voluntary repayments are made.

You can still make voluntary repayments when you are overseas.

For more information see:

- [Overseas obligations when repaying loans](#)
- [Voluntary repayments](#)

## Deceased estate

A trustee or executor needs to lodge all outstanding tax returns on behalf of a deceased person, up to the date of the person's death.

Any compulsory repayment included on a notice of assessment or overseas levy included on a notice of overseas levy that relates to the period before the person's death must be paid from the estate. The remainder of the loan is cancelled. Neither the deceased person's family, nor the trustee, is required to pay the rest of the loan.

## Bankruptcy

Loan accounts are not provable under the *Bankruptcy Act 1966*. This means you will have to pay those loans as if you had not been declared bankrupt.

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## Compulsory repayments

How and when compulsory repayments of your study and training support loan are made through the income tax

system.

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## How compulsory repayments work

Compulsory repayments of your study and training support loan are made through the income tax system.

You don't have to provide loan information in your tax return. If you have a loan when you lodge your tax return and your repayment income is above the minimum repayment threshold, we will work out your compulsory repayment and include it on your notice of assessment. This will occur even if your tax return is for an income year before you started studying.

Your compulsory repayment rate increases as your income increases. The more you earn, the higher your repayment. Your compulsory repayment is based on your income alone – not the income of your parents or spouse.

You will not have to make a compulsory repayment if you have a spouse or dependants and if (due to low family income) you:

- are entitled to a reduction of the Medicare levy
- do not have to pay the Medicare levy.

If you do not have to make a compulsory repayment, you may ask your employer not to withhold additional amounts from your pay by completing the *Medicare levy variation declaration* form (NAT 0929).

You can also make additional [voluntary repayments](#).

Ask a question or read answers to questions at our online community:

For more information see:

- [Study and training loan repayment thresholds and rates](#)
- [Medicare levy variation declaration](#)
- [Study and training loan repayment calculator](#)

## Advising your employer

You must advise your employer if you have a study or training support loan. Under the pay as you go (PAYG) withholding system, your employer will withhold an additional amount from your salary and wage income to cover your compulsory repayment.

Advise your employer by ticking the relevant box on one of the following forms that applies to your situation:

- If you're starting a new job, complete a *Tax file number declaration* (NAT 3092) and include your loan type when asked to do so.
- If you're already working and being paid, complete a *Withholding declaration* (NAT 3093) and include your loan type when asked to do so.
- When you pay off your loan in full, complete a new *Withholding declaration* (NAT 3093) to advise you no longer have an outstanding loan. Update your loan type when asked to do so.

These forms are usually given to you by your employer or you can obtain one from the links below.

## Employer deductions showing on your account

When your employer withholds additional amounts to cover your anticipated compulsory repayment, these amounts are remitted to the ATO as part of the employer's PAYG withholding obligations.

The additional tax withheld is not applied to your loan account until:

- you have lodged your tax return, and
- a compulsory repayment has been calculated based on your repayment income.

Your loan balance doesn't reduce after each pay cycle; it is only applied as a lump sum after your income tax return is lodged.

For more information see:

- [Types of loans](#)
- [Tax file number declaration \(NAT 3092\)](#)
- [Withholding declaration \(NAT 3093\)](#)
- [Tax in Australia: what you need to know](#)
- [Tax tables](#)

## If you earn business or investment income

[Pay as you go \(PAYG\) instalments](#) is a system where you make regular payments towards your expected tax liability if you earn business or investment income. You pay your tax in instalments throughout the year rather than when you lodge your tax return.

If you are making PAYG instalments, we take your loan into account when working out your PAYG instalment amount and rate.

You can vary your instalment amount or rate to allow for your personal circumstances.

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## Voluntary repayments

You can make voluntary repayments at any time to help reduce your balance.

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## Making repayments

You can make voluntary repayments at any time to reduce the balance of your loan.

You may still have to make a [compulsory repayment](#) or pay an overseas levy if, after making your voluntary repayment:

- you still have an outstanding loan
- your repayment income is above the minimum repayment threshold.

Voluntary repayments are in addition to compulsory repayments/overseas levy and are not refundable.


## Best time to make a voluntary repayment

If you plan to pay off your total loan balance with a voluntary repayment, it's best to make your repayment before you lodge your tax return or worldwide income.

If you lodge your tax return or worldwide income before your voluntary repayment is credited to your account, a compulsory repayment or overseas levy may be included on your notice of assessment. You may also benefit if you make a voluntary repayment (which will reduce the loan amount), before indexation is applied on 1 June.

If you intend to make a voluntary repayment before indexation is applied, **it is important to allow enough time for the payment to be received and processed by us before 1 June.**

Payments made electronically or at Australia Post can take up to 4 business days from the day you make the payment, to be received by us and to appear on your ATO account.

If you mail a cheque or money order to us, you will need to take into account [postal service delivery](#) . Once we receive your payment, it may take a further 4 business days to be allocated to your ATO



account. Indexation will apply if the payment is not received and processed in time. Refer to '[indexation](#)' to see its impact on the loan.

**Note:** Don't make voluntary repayments to us before you have incurred a loan.

For more information see [Study and training loan indexation rates](#).


## How to make a voluntary repayment

We offer a range of payment options both in Australia and overseas. Our preferred payment methods are:

- BPAY® (registered to BPAY Pty Ltd ABN 69 079 137 518)
- credit card.

If you pay using BPAY, credit card or direct credit, you will need your payment reference number (PRN).

For more information see:

- [myGov](#) 
- [How to pay](#)
- [Contact us](#)

## Salary packaging

Some people use salary packaging arrangements with their employers to pay off their loans faster by making voluntary repayments.

If you make such an arrangement, you must:

- make your voluntary repayments by BPAY, credit card or direct credit
- stop making repayments as soon as you have paid off your loan.

Voluntary repayments made through salary packaging are in addition to compulsory repayments. If your income is above the minimum repayment threshold for an income year, you will still need to make a compulsory repayment. This will be included in your notice of assessment.

Entering into a salary sacrifice arrangement may result in your payer providing a fringe benefit to you. You should seek financial advice

before entering into this arrangement.

For more information see [Salary sacrificing for employees](#).

## Tax deductibility

Any voluntary repayments made by you, or by someone else other than your employer, are not tax deductible. If your employer makes voluntary repayments on your behalf, they may be able to claim a tax deduction. Your employer may also be liable for fringe benefits tax (FBT) on the repayments.

QC 44860

## Overseas obligations when repaying loans

Provide an overseas travel notification and report your worldwide income if you have a study or training support loan.

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## Repaying loans from overseas

If you plan to live and work overseas and have a [study or training support loan](#), you are required to:

- update your contact details and submit an *overseas travel notification* within 7 days of leaving Australia – this is if you have an intention to (or already) reside overseas for 183 days or more in any 12 months
- lodge your worldwide income or a non-lodgment advice.

This applies to people with the following types of loans:

- Higher Education Loan Program (HELP – previously known as HECS)
- VET Student Loan (VSL)
- Australian Apprenticeship Support Loan (AASL) – previously known as Trade Support Loan (TSL)

You can report your worldwide income online by [using ATO online services](#) through myGov, or through an Australian registered tax agent.

The deadline for you to report for the Australian income year (1 July to 30 June) is **31 October**. It's important you lodge on time, even if you can't pay straight away, as you'll avoid a penalty for lodging late.

You can use an Australian registered tax agent to lodge on your behalf. They can lodge after the usual 31 October deadline. The due date will depend on your personal circumstance. You should contact your tax agent for advice.


After you have reported your worldwide income, you will receive a notice confirming:




- how much you owe or will be refunded
- the due date for payment.

Your study or training loan will continue to be indexed each year until it is paid. Your loan may grow over time if no compulsory or voluntary repayments are made. You can make additional voluntary payments from overseas at any time to reduce the balance. These will not reduce any compulsory repayment or overseas levy obligations you may have. For further information on indexation and processing times for payments see [indexation](#) and [voluntary repayments](#).

## Accessing ATO online services through myGov

If you're an [Australian living overseas](#), you can manage your tax and super obligations while overseas with [a myGov account linked to the ATO](#).

To access ATO online services you can sign in to [myGov](#)  using:

- [myGovID](#)  set up to a [Standard identity strength](#) 
- codes created by the myGov Code Generator app – you will need to [download the app](#)  and update your sign-in option before you travel
- SMS codes, if you have access to your Australian mobile phone number.

## Completing an overseas travel notification

You need to notify us, within 7 days of leaving Australia, if you intend to move or already reside overseas for 183 days or more in any 12 month period.

To notify us, complete an *overseas travel notification* and update your contact details, including your mobile, international residential, postal and email addresses.

You can submit your *overseas travel notification* through ATO online services via myGov or through an Australian registered tax agent. If you notify us online, you only need to update your details on ATO online services, not on your myGov account.

Once you have logged in to ATO online services, follow these menu options to complete your *overseas travel notification*.

- **Tax>Manage>Overseas travel notifications**

To complete your *overseas travel notification*, you need:

- your Australian or foreign passport
- your travel information, including
  - the country you are planning to reside in while overseas
  - your expected or actual departure date from Australia

- your expected or actual date of return to Australia.

You must continue to update your contact details as long as you reside overseas, either through our online services or an Australian registered tax agent.

You will only need to lodge a subsequent *overseas travel notification* if you come back to Australia, or your residency changes and you meet the requirements to notify again.

You do not need to complete another notification if you are only returning to Australia for a short period (for example, a holiday).

[Sign in to myGov](#)

## Reporting your worldwide income

Your worldwide income is your repayment income and your non-resident foreign sourced income. Your non-resident foreign sourced income is any income you earned from sources outside of Australia while you were a non-resident.

The next steps in reporting your worldwide income will depend on your [residency](#) status. You will first need to work out if you are an:

- [Australian resident](#)
- [Non-resident](#)

**Note:** If you have a study or training loan, you will have an ongoing obligation to report your worldwide income, or lodge a non-lodgment advice.

### Australian resident

If you reside outside Australia for less than 183 days in any 12-month period, the information in the following table applies to you.

**If you have a HELP, AASL or VSL loan and are an Australian resident for tax purposes for the full year**

| Your worldwide income | What you need to do |
|-----------------------|---------------------|
|-----------------------|---------------------|

|  |  |
|--|--|
| <p>If you earn worldwide income, including repayment income and foreign sourced income in the income year.</p> | <p>Do you also need to lodge a tax return? Check <a href="#">Do I need to lodge a tax return?</a></p> <p>If you do not need to lodge a tax return, you may need to lodge a non-lodgment advice form.</p> <p>To complete the non-lodgment advice form, lodge through ATO online services<br/> <b>Tax&gt;Lodgments&gt;Non-lodgment advice</b> or through an Australian registered tax agent.</p> |
|--|--|

## Non-resident

If you reside outside Australia for 183 days or more in any 12-month period, the information in the following table applies to you.

### If you have a HELP, AASL or VSL loan and are a non-resident (full or part year)

| Your worldwide income  | What you need to do   |
|--|---|
| <p>If your worldwide income for the 2023–24 year is at or below \$12,887 (AUD).</p> <p>This is 25% of the minimum repayment threshold.</p> | <p>You need to lodge a non-lodgment advice form.</p> <p>Do you also need to lodge a tax return? Check <a href="#">Work out if you need to lodge a tax return?</a></p> <p>To complete the non-lodgment advice form, lodge through ATO online services<br/> <b>Tax&gt;Lodgments&gt;Non-lodgment advice</b> or through an Australian registered tax agent.</p> |
| <p>If your worldwide income for the 2023–24 year is above \$12,887 (AUD).</p>  | <p>You need to report your worldwide income.</p> <p>Do you also need to lodge a tax return? Check <a href="#">Work out if you need to lodge a tax return?</a></p> <p>To report your worldwide income, you can lodge through</p>   |

ATO online services  
**Tax>Lodgments>Report  
worldwide income** or through an  
Australian registered tax agent.

**Note:** When declaring your foreign sourced income earned as a non-resident you will have the option of choosing between one of three [assessment methods](#).

## How to report your worldwide income

If you're a non-resident for tax purposes, you can report your worldwide income through either:

- myTax within ATO online services
- an Australian registered tax agent.

If your worldwide income (converted into Australian dollars) exceeds the minimum [repayment thresholds](#), you will be required to make a repayment of your study or training loan liability. Repayments may be in the form of a compulsory repayment or an overseas levy depending on how your worldwide income is made up.

Our [Study and training loan repayment calculator](#) will help you determine the amount of compulsory repayment.

**Note:** You can access myTax within ATO online services by logging in to your myGov account. Once you've accessed ATO online services, follow these menu items options: **Tax>Lodgments>Report worldwide income**.

When reporting your income, you will be asked to confirm if your contact and financial details are up to date – myTax only accepts Australian financial institution details. If you don't have an Australian account, you may bypass this step. The bypass is triggered when you have a study or training loan, and an international residential address recorded.

### Example: how repayments are calculated

This example explains how a compulsory repayment and overseas levy may be raised on your reported worldwide income.

In the relevant Australian income year, Emily earns Australian-sourced repayment income as well as non-resident foreign-

sourced income. These 2 amounts form her total worldwide income.

The total repayment obligation on Emily's worldwide income is her worldwide income  $\times$  the applicable repayment rate.

As Emily has earned over the minimum repayment rate in Australia, the compulsory repayment component of Emily's repayment is determined as follows:

- repayment income  $\times$  the applicable repayment rate = compulsory repayment.

The overseas levy raised on Emily's worldwide income is calculated as follows:

- total repayment obligation – compulsory repayment = Emily's overseas levy.

### **Example: how an overseas levy may be raised**

This example explains how an overseas levy may be raised on your reported worldwide income.

In the relevant Australian income year, Emily earns only non-resident foreign-sourced income. This amount will form her total worldwide income.

The total repayment obligation on Emily's worldwide income is her worldwide income  $\times$  the applicable repayment rate.

As Emily has earned over the minimum repayment rate in Australia, an overseas levy is raised based on Emily's worldwide income which is calculated as follows:

- total repayment obligation = Emily's overseas levy.

## **Information you need to report**

To assist in determining your worldwide income, you may need to refer to notices or statements you have received in your country of residence, or country you earned worldwide income. These may include, but are not limited to:



- tax assessment or summary from a foreign tax authority (for example, those issued from HMRC, IRS, National Tax Agency)
- payment summaries or income statements, or payment slips from employers
- bank statements
- notices showing amount of government benefits received
- dividend and interest certificates
- rental income statements
- receipts to claim deductions for expenses incurred in earning non-resident foreign sourced income, for example, work-related expenses you incurred while performing your job as an employee.

## Converting your currency

You must convert all foreign income, deductions and foreign tax paid into Australian dollars before you include this in your tax return. The rate of conversion will be the average exchange rate for the Australian income year.

Our [foreign income conversion calculator](#) will help you convert your foreign currency. If you require a foreign exchange rate for a currency that is not listed within the conversion calculator, you may use any reasonable externally sourced exchange rate for that currency, for example from a bank. The rate of conversion must be the average exchange rate for the Australian income year.

## Completing a non-lodgment advice

If you did not earn more than 25% of the minimum repayment threshold for the income year you will need to submit a non-lodgment advice.

**Note:** You can access myTax within ATO online services by logging in to your myGov account. Once you've accessed ATO online services, follow these menu items options: **Tax>Lodgments>Non-lodgment advice**.

A non-lodgment advice is a document lodged instead of a tax return. This document tells us that you will not be lodging a return as you:

- are not above 25% of the minimum repayment threshold
- have made a determination that you have no requirement to report your worldwide income which includes lodging an individual tax return.

**Note:** If you had previously submitted a non-lodgment advice and your situation has changed, you are still able to report your worldwide income. You can lodge using our online services through myGov or through an Australian registered tax agent.

### Example: non-lodgment advice

Harriet has a HELP loan from her undergraduate studies. She moves to the UK to undertake her postgraduate degree. In the UK, she studies full-time and works casually as a tutor.

For the relevant income year, Harriet earns the equivalent of \$10,500 AUD. This is below the 25% minimum repayment threshold.

Harriet has made the determination that she does not need to lodge an Australian individual tax return. She will lodge a non-lodgment advice using our online services through myGov or through an Australian registered tax agent.

## Assessment methods

When you declare your worldwide income to us, you may choose one of the following 3 income assessment methods to [calculate your non-resident foreign sourced income](#):

- [Simple self-assessment method](#)
- [Overseas assessed method](#)
- [Comprehensive tax-based assessment method](#)

You can only choose one method to assess your foreign income for the income year. However, you may choose another assessment method in a later year.

### Simple self-assessment method

The simple self-assessment method requires you to provide your gross amount of non-resident foreign income for the income year and state the occupation from which you derived most of your foreign-sourced income. A standard deduction will automatically be applied to reduce your foreign income based on your occupation.

Depending on your personal circumstances, you may wish to use a different assessment method to determine the non-resident foreign-sourced income component of your worldwide income. For example, if you have deductions that would be allowable under Australian tax laws.

### **Example: simple self-assessment method**

Anita has been living in New Zealand for 2 years, working as an occupational therapist. To calculate her non-resident foreign-sourced income, Anita chooses the simple self-assessment method.

Anita declares her total gross foreign income for the income year and reports her occupation.

As part of the simple self-assessment method, a standard deduction is then automatically subtracted from her gross foreign income. This works out her net non-resident foreign-sourced income, which is used to calculate her overseas levy.

## **Overseas assessed method**

The overseas assessed method allows you to enter the foreign income amount you were assessed for, on your most recent income assessment from your foreign country of residence. The assessment must cover a 12-month period, even if you did not earn income for the whole 12 months.

There are limitations to using this method. You can't use this method if:

- you did not receive a tax assessment from a foreign tax authority
- you received a tax assessment that does not cover a 12-month period
- the period of the assessment does not overlap the relevant Australian income year (1 July to 30 June)

- you received multiple assessments for the income year from tax authorities of different foreign countries
- you have previously used that income assessment to calculate your foreign income.

### **Example: overseas assessed method**

Lee is living overseas and working as a lawyer. In working out his non-resident foreign-sourced income for the Australian income year, Lee chooses the overseas assessed method.

Lee has an overseas tax assessment for the period 1 April to 31 March (this overlaps the relevant Australian income year). Lee has not received any other income assessments from other countries. He has not previously used his income assessment to calculate his foreign-sourced income.

When using the overseas assessed method, Lee reports the foreign income amount he was assessed for as shown on his foreign income assessment. He then converts this to Australian dollars to calculate his non-resident foreign-sourced income.

## **Comprehensive tax-based assessment method**

The [comprehensive tax-based assessment method](#) will require you to declare your gross foreign income and enter allowable deductions, similar to how you would complete an Australian tax return.

You must provide the gross amount (pre-tax amount) of your foreign income. You must do this even if tax was taken out in the country where you earned the income.

### **Example: comprehensive tax-based assessment method**

Nadia is a small business owner in Canada. When working out her foreign-sourced income for the Australian income year, Nadia chooses the comprehensive tax-based assessment method.

Nadia determines her gross foreign income from her salary and business income. She then works out her allowable deductions

related to her employment. Nadia subtracts her allowable deductions from her gross foreign income to work out her non-resident foreign-sourced income.

For more information, see [Overseas Debtors Repayment Guidelines 2017](#) [↗](#).

## Contacting us from overseas

For more information, you can phone us from overseas on **+61 2 6216 1111** between 8 am and 5 pm (AEDT) Monday to Friday. We will need to establish your proof of identity before we can discuss details of your account.

Ensure you have the right proof of identity documents with you before you contact us, including your Australian passport or Australian birth certificate.

You must repay your HELP (previously known as HECS), AASL (previously known as TSL) and VSL if you live overseas and are not an Australian resident for tax purposes.

QC 47358

## Deferring repayments

You may apply to defer your compulsory repayment or overseas levy if you are in serious hardship or for other reasons.

**Last updated** 9 October 2024

### On this page

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[5. How to apply for deferral](#)

[How to apply for deferral](#)

## What deferring means

If you have a loan with the ATO (which includes a compulsory repayment or overseas levy) and you can't pay on time, you may apply to defer or amend your compulsory repayment or overseas levy.

This means we will either:

- not raise a repayment (defer)
- reduce the amount of repayment required toward your loan (amend).

## When to apply to defer

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- making your repayment would cause you serious hardship
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You may apply to defer or amend your compulsory repayment or overseas levy if:

- making your repayment would cause you serious hardship
- there are other special reasons, for example
  - natural disasters affecting you
  - death or serious illness
  - other serious or difficult circumstances.

If you apply to defer or amend your repayment under serious hardship, we will ask you for a detailed statement of your household income and expenditure to justify your claim.

We may also ask you to provide further details of income and expenditure and evidence, such as a copy of your most recent payslip.

If you have special circumstances and need to apply to defer or amend your repayment, complete a *Defer or amend your compulsory repayment or overseas levy* form (NAT 2471).

For more information see [Tax support for individuals](#).

## How to apply for deferral

To apply for a deferral see [Defer or amend your compulsory repayment or overseas levy](#).

### Next step

- [Contact us – Individuals enquiries](#)
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QC 44862

## Study and training loans – what's new

Content related to any new legislation for study and training loans.

**Last updated** 9 October 2024

### On this page

[Indexation rate calculation change](#)

[Trade Support Loan now Australian Apprenticeship Support Loan](#)

[HELP loan reduction for rural doctors and nurse practitioners](#)

## Indexation rate calculation change



The government announced that it will cap the HELP indexation rate to be the lower of either the Consumer Price Index (CPI) or Wage Price



Index (WPI). This change will take effect when it becomes law.

This relief will be backdated to all HELP, VET Student Loan, Australian Apprenticeship Support Loan and other study or training support loan accounts that existed on 1 June 2023.

The Department of Education have released:



- [Higher Education Loan Program \(HELP\) – Indexation Credit Estimator](#) 
- [FAQs for HELP Indexation Credit](#) .

Indexation was applied based on the CPI on 1 June 2023 and 1 June 2024. After the law has changed, we will process adjustments to reflect the lower indexation amounts for these years and credit the amount to your study or training support loan. You don't need to do anything.

Where your study loan is less than \$0 after the adjustment, you may receive a refund for the excess amount to your nominated bank account – if you have no outstanding tax debts.

## Trade Support Loan now Australian Apprenticeship Support Loan

From 1 January 2024, a [Trade Support Loan \(TSL\)](#) is known as an [Australian Apprenticeship Support Loan \(AASL\)](#) .

The name change was included in the [Trade Support Loans Amendment Act 2023](#)  that amends the [Australian Apprenticeship Support Loans Act 2014](#) . It received Royal Assent in August 2023. This brought changes to the existing TSL program (which was introduced in 2014).

The TSL program provided income-contingent loans to eligible apprentices to help with everyday costs while completing their apprenticeships. The AASL program expands access to these loans to a broader range of apprentices and trainees, including non-trade occupations. A new Australian Apprenticeship Priority List replaces the TSL Priority List.

Early childhood, aged care and disability are examples of sectors that may benefit from this expansion.

For more information, go to the Department of Employment and Workplace Relations [Australian Apprenticeship Support Loans](#) [↗](#) page.

## HELP loan reduction for rural doctors and nurse practitioners

On 10 November 2022, the Australian Government introduced a bill into parliament to establish the [HELP for Rural Doctors and Nurse Practitioners initiative](#) [↗](#) to encourage doctors and nurse practitioners to live and work in rural, remote or very remote areas of Australia.

The *Higher Education Support Amendment (2022 Measures No. 1) Act 2023* (the Act) amends the *Higher Education Support Act 2003*. The Act received Royal Assent on 20 February 2023.

The initiative gives doctors and nurses the opportunity to reduce their outstanding [Higher Education Loan Program \(HELP\) loan](#) [↗](#) if they meet:

- the [eligibility criteria](#) [↗](#)
- their [obligations](#) [↗](#) to complete the required amount of eligible work in specified areas.

For more information, contact the Department of Education at [veryremotehelp@education.gov.au](mailto:veryremotehelp@education.gov.au)

QC 59241

## Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year

before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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