



## “HECS/HELP LOANS”

### DETAILS

- Higher Education Loan Program (HELP) was previously called Higher Education Contribution Scheme (HECS).
- You will have a HELP debt if the government has lent you money under any of the HELP schemes available, or they have a debt from the previous Higher Education Contribution Scheme (HECS). You will receive a statement in June each year providing the balance of your HELP account.

### HOW DOES IT WORK

- You will be required to make a compulsory repayment when you reach a minimum income level.
- Your repayment amount is calculated when you complete your tax return.
- As your income increases, you will be required to pay a higher percentage of your income as a repayment towards your HELP loan.

### WHAT CAN I DO ABOUT MY HELP REPAYMENTS?

- You should advise your employer that you have a HECS/HELP loan.  
As a result, your employer should withhold an additional amount to cover your compulsory HELP repayment.
- If you have two income sources, or amounts of investment income, this may affect your income level and the repayment amount.
- You may need to choose to withhold additional tax to contribute to the additional HELP repayments that may arise as your additional

### DO I PAY INTEREST ON THE LOAN?

- A HELP loan is an interest free loan. However, the balance of your loan will be indexed each year on 1 June.
- The indexation rate applied on 1 June is based on the March CPI.

## WHEN DO I HAVE TO MAKE REPAYMENTS?

2019 -2020 Repayment Threshold	Repayment % Rate
Below \$45,881	Nil
\$45,881 - \$52,974	1.0%
\$52,974 - \$56,152	2.0%
\$56,152 - \$59,522	2.5%
\$59,522 - \$63,093	3.0%
\$63,093 - \$66,878	3.5%
\$66,878 - \$70,891	4.0%
\$70,891 - \$75,145	4.5%
\$75,145 - \$79,653	5.0%
\$79,653 - \$84,433	5.5%
\$84,433 - \$89,499	6.0%
\$89,499 - \$94,869	6.5%
\$94,869 - \$100,561	7.0%
\$100,561 - \$106,594	7.5%
\$106,594 - \$112,990	8%
\$112,990 - \$119,770	8.5%
\$119,770 - \$126,956	9%
\$126,956 - \$134,573	9.5%
\$134,573 and over	10.0%

### FOR MORE INFORMATION

Visit the ATO website: <https://www.ato.gov.au/>

Or phone 13 28 66 from Monday-Friday 8:00am-6:00pm

Or Contact Sheridan Partners on 1300 896 574

Disclaimer - this information is of a general nature and does not constitute personal advice.  
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