

\$Help might be a help

HELP loans come in all sizes: HECS, FEE, OS, VET. But they are all crucial for hundreds of thousands of students. *Smart Start* reports.

To fund your study after you leave school, the federal government has come up with loans that go under the very helpful name of HELP (Higher Education Loan Program). Remember that in most cases, you never get your hands on the money – it's paid directly to the education provider.

Who is eligible for HELP loans?

First of all, you must be an Australian citizen or the holder of a permanent or humanitarian visa.

Secondly, you need to be studying an approved course which is judged to be full-time equivalent full-time student load (EFTSL). There are some exceptions for the full-time bit, such as if the course is work experience and if it forms part of another course. You should ask your provider.

What about VET and TAFEs and stuff?

Good question. VET FEE-HELP is a HELP loan for students at TAFEs and other technical or vocational training providers. The VET HELP scheme has only been around a year or two, and assists eligible full fee-paying students undertaking a diploma or advanced diploma (with a credit transfer arrangement to a degree), graduate certificate or graduate diploma. Approved VET providers will have the appropriate info and forms. It works in much the same way as the other HELP loans.

Paying HELP loans back

Bad news: you must pay all these loans back to the government, but it could be worse. HELP repayments are registered with the Australian Tax Office (ATO) a little bit like a tax bill so you don't always have to hand over cash. And, just like tax, how much you have to pay each year is determined by the amount you earn. Also, if you choose to pay all, or at least \$500 up-front, then you will receive a 20 per cent discount on the amount paid up-front.

Although there is no interest charged on HECS, the debt rises each year in line with inflation. This arrangement is to stop someone who, say, has a \$120,000 HECS debt from a six-year medical degree waiting for 30 years to pay back the loan (when a packet of chewing gum costs \$120,000).

Repayment table

The below figures change a bit each year, but this is the 2008-2009 figures to give you an idea of how much you will have to pay back.

Your taxable income (plus a few other technical things like fringe benefits and stuff) How much of your taxable income you have to pay

Your taxable income (plus a few other technical things like fringe benefits and stuff)	How much of your taxable income you have to pay back each year.
Below \$41,595	Nil
\$41,595-\$46,333	4%
\$46,334-\$51,070	4.5%
\$51,071-\$53,754	5%
\$53,755-\$57,782	5.5%
\$57,783-\$62,579	6%
\$62,580-\$65,873	6.5%
\$65,874-\$72,492	7%
\$72,493-\$77,247	7.5%
\$77,248 and above	8%

HECS-HELP

The Higher Education Contribution Scheme is when the government loans you money for your higher education fees for study in Australia. This is the biggie, the common one. 'The' HECS!

FEE-HELP

If you are not eligible to be a Commonwealth-supported student, or if you are studying at a private providers and can't get HECS, you may be eligible for FEE-HELP. There is a 'lifetime' FEE-HELP limit but it's over \$80,000.

FVI

- www.dest.gov.au
- www.goingtouni.gov.au

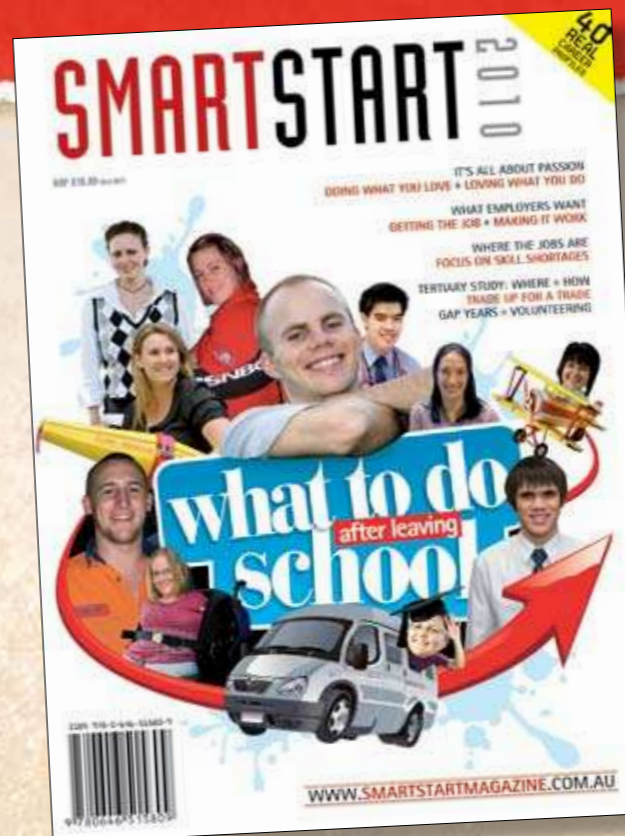
OS-HELP

OS-HELP is a loan scheme to assist undergraduate students to do some of their course overseas. The money can be used to for expenses such as airfares, accommodation. It is paid back similar to HECS. See page 58 for info about studying overseas and page 12 for a key to profiles.

ABStudy

If you are an Indigenous secondary or tertiary student or Australian Apprentice, ABSTUDY may help you with a fortnightly living allowance as well as additional components to help with the costs associated with study.

- www.centrelink.gov.au ; 13 2317



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