



VET FEE–HELP

STUDENT FREQUENTLY ASKED QUESTIONS

VET FEE-HELP ASSISTANCE

Why will the Government loan me this money?

VET FEE-HELP is an extension of the Higher Education Loan Program (HELP). The program removes financial barriers for students wishing to study higher education. VET FEE-HELP assistance allows students to defer their tuition fees through a loan with the Australian Government. Students will not have to repay the loan until they are earning above the minimum repayment threshold.

What does VET FEE-HELP cover?

VET FEE-HELP provides a loan for VET tuition fees only, VET FEE-HELP does not cover accommodation or general living expenses. Your VET provider will set the VET tuition fee for your unit(s) of study, tuition fees for approved courses are published on each VET providers' website.

For more information see Chapter 3 of the VET FEE-HELP Information booklet.

What is a FEE-HELP limit?

In 2011, the FEE-HELP limit is \$86,422, except for medicine, dentistry and veterinary science courses (that lead to initial registration as practitioners in those fields) where the limit is \$108,029. The FEE-HELP limit is the total amount available to you under both FEE-HELP and VET FEE-HELP assistance.

Any time a student accesses VET FEE-HELP and/or FEE-HELP to pay their tuition fees, the amount they may borrow in the future is reduced. Once a student has borrowed an amount equal to the FEE-HELP limit they will not be able to receive VET FEE-HELP or FEE-HELP assistance to pay their tuition fees again. Repayments do not reset the maximum that can be borrowed.

For more information see Chapter 2 of the VET FEE-HELP Information booklet.

What is a HELP debt?

An accumulated HELP debt can include consolidated debts incurred under:

- VET FEE-HELP
- FEE-HELP
- HECS-HELP
- OS-HELP

VET FEE-HELP, FEE-HELP, HECS-HELP and OS-HELP – what’s the difference?

VET FEE-HELP assistance can only be offered to eligible full fee-paying students from an approved VET provider for certain VET accredited diploma, advanced diploma, graduate certificate and graduate diploma courses. VET FEE-HELP is an extension of the higher education FEE-HELP arrangements.

FEE-HELP assistance can be offered to eligible fee-paying students from a higher education provider for an accredited higher education course. Irrespective of whether a student receives a loan under VET FEE-HELP or FEE-HELP, the same FEE-HELP loan limit applies.

HECS-HELP is only available to eligible students in a Commonwealth supported place studying a higher education qualification. HECS-HELP does not contribute to a student’s FEE-HELP limit.

OS-HELP loans assist eligible students, based in Australia, in a Commonwealth supported place, who have completed the first year of their course of study at their higher education provider, to undertake some of their study overseas. OS-HELP loans do not contribute to a student’s FEE-HELP limit.

Why are only certain qualifications eligible for VET FEE-HELP assistance?

VET FEE-HELP assists eligible students studying one or more of the following courses:

- Diploma*
- Advanced Diploma*
- Graduate Certificate
- Graduate Diploma

*In most circumstances, these courses must have an approved VET credit transfer arrangement to a Bachelor degree with a higher education provider. Diploma and Advanced Diploma courses delivered in a Reform State or Territory are not required to have credit transfer arrangements in place.

Due to the requirement for courses to have credit transfer arrangements before being approved as eligible courses, only Diploma level and above courses are eligible courses for the purposes of VET FEE-HELP.

ELIGIBILITY

What are the citizenship or residency requirements?

To be eligible for VET FEE-HELP assistance for a unit of study, you must be either:

- An Australian citizen; OR
- The holder of a permanent humanitarian visa who will be resident in Australia for the duration of the unit you are seeking VET FEE-HELP assistance.

Holders of permanent visas and New Zealand citizens are NOT eligible for VET FEE-HELP assistance.

If you are unsure of your citizenship or visa status you can contact the Department of Immigration and Citizenship (DIAC) on 13 18 81 or visit their website at www.immi.gov.au.

For more information see Chapter 2 of the VET FEE-HELP Information booklet.

I am applying for Australian citizenship, when can I get VET FEE-HELP assistance?

If you meet all other eligibility requirements, and you obtain Australian citizenship, you may access VET FEE-HELP assistance for those units with a census date on or after the date on which you obtained Australian citizenship.

If you are intending to become an Australian citizen you should allow sufficient time for your citizenship application to be considered before you enrol in a course of study. If you are enrolled in a unit and the census date passes before you obtain Australian citizenship you will not be able to access VET FEE-HELP assistance for that unit.

For more information see Chapter 2 of the VET FEE-HELP Information booklet.

Can I get VET FEE-HELP if I study part-time?

Yes. Eligible full-time and part-time students can access VET FEE-HELP assistance.

I am already studying, can I still access VET FEE-HELP?

Yes. You can still access assistance if:

- You are an eligible student; and
- You are studying at an approved VET provider; and
- The census date of the unit you are enrolled in has not passed.

Holders of permanent visas and New Zealand citizens are NOT eligible for VET FEE-HELP assistance.

Please contact your VET provider if you are not sure of the census date for your unit of study.

I am a mature age student can I still access VET FEE-HELP?

Yes. Age is not an eligibility requirement for VET FEE-HELP assistance.

Can I access VET FEE-HELP for two courses at the same time?

Yes. You can obtain VET FEE-HELP assistance for more than one course of study provided that you have sufficient FEE-HELP balance and are otherwise eligible. You must submit a separate *Request for VET FEE-HELP* assistance form for each course, even if both courses are with the same VET provider.

For more information see Chapter 4 of the VET FEE-HELP Information booklet.

I am receiving Centrelink benefits. Does this affect the amount of VET FEE-HELP assistance I can access?

No. Centrelink benefits do not affect your eligibility or the amount of VET FEE-HELP assistance you can access.

APPLYING FOR VET FEE-HELP

How do I apply?

If you are eligible for VET FEE-HELP assistance and would like to obtain a VET FEE-HELP loan for your course, you should contact your approved VET provider. Your VET provider will assist you in applying by confirming your

eligibility and providing you with the *VET FEE-HELP Information booklet* and *Request for VET FEE-HELP assistance* form.

You need to read the Information booklet before completing and signing the form, when completing the form, you must tick all relevant boxes and sign the declaration. You should return the form to the appropriate officer of your VET provider on or before the census date (or the earlier date set by your VET provider) for the first unit of study for which you wish to obtain VET FEE-HELP assistance. You should contact your VET provider if you are unsure how to complete the form.

For more information see Chapter 4 of the VET FEE-HELP Information booklet.

CENSUS DATE

What is my census date?

The census date of a unit of study (which forms part of an eligible course of study) is the last day a student can submit their *Request for VET FEE-HELP assistance* form to defer their tuition fees through VET FEE-HELP. The census date is also the last day a student can withdraw from their unit(s) without incurring a VET FEE-HELP debt. A student will not incur a VET FEE-HELP debt until after the census date. You cannot extend your census date. To find out what your census date is please go to your VET provider's website. Your VET provider is required to publish the tuition fees and census dates for all units of study on their website. Alternatively, you can contact them directly to find this information.

For more information see Chapter 4 of the VET FEE-HELP Information booklet.

What is an administrative date?

VET providers sometimes set an earlier administrative date (than the census date) for the submission of *Request for VET FEE-HELP assistance* forms and payments.

If you do not meet this earlier administrative date, your VET provider may charge you a late fee.

It is your responsibility to check whether your VET provider has set the census date, or an earlier administrative date, as the deadline for submitting the *Request for VET FEE-HELP assistance* form.

For more information see Chapter 4 of the VET FEE-HELP Information booklet.

WITHDRAWING

How do I withdraw my request for VET FEE-HELP assistance?

If you have requested a VET FEE-HELP loan, but change your mind and no longer want to defer your tuition fees through VET FEE-HELP, on or before the end of the census date, you must either:

- Pay your tuition fees up-front and in full; or
- Cancel your *Request for VET FEE-HELP assistance* form and pay your tuition fees up-front and in full.

You are able to cancel your *Request for VET FEE-HELP assistance* form at any time. You must do this in writing to your VET provider.

For more information see Chapters 4 and 5 for the VET FEE-HELP Information booklet.

How do I withdraw from my unit?

If you wish to withdraw your enrolment from a unit(s) of study you need to contact your provider. It is important that you follow the correct withdrawal procedures of your provider, it is your responsibility to find out about those procedures by contacting your provider. You should keep a copy of your withdrawal form as confirmation that you correctly withdrew from your unit(s).

What happens if I withdraw after the census date?

If you withdraw from your unit after the census date and have not withdrawn your *Request for VET FEE-HELP assistance* form you will have incurred a VET FEE-HELP debt.

If after the census date, special circumstances occur and you are unable to continue your studies, you can apply to your provider to have your FEE-HELP balance re-credited for that unit(s). You should note that there are time limits for applying to have your FEE-HELP balance re-credited due to special circumstances.

For more information see Chapter 5 of the VET FEE-HELP Information booklet.

REPAYMENTS

When and how do I repay my loan?

You start repaying your VET FEE-HELP loan when your repayment income is above the minimum repayment threshold for compulsory repayment. The repayment thresholds are adjusted each year to reflect any changes in average weekly earnings. The current repayment income threshold for the 2010—11 financial year is \$44,911.

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

- Your taxable income;
- Reportable fringe benefits (as reported on the payment summary);
- Total net investment loss (which includes net rental losses);
- Reportable super contributions; and
- Any exempt foreign employment income amounts.

If you have an accumulated HELP debt and earn more than the minimum repayment threshold, you will have a compulsory repayment included as part of your income tax assessment. You must advise your payer or payers (if you have more than one source of income) if you have an accumulated HELP debt. Your payer(s) must withhold an additional amount from payments made to you, to cover your compulsory repayment. For more information on repaying your HELP debts, including the latest Repaying Your Help Debt guide visit the Australian Taxation office website: www.ato.gov.au.

For more information see Chapter 6 of the VET FEE-HELP Information booklet.

How does the 10% discount work for voluntary payments?

If you make a voluntary repayment of \$500 or more, you will receive a bonus 10% of the payment you make.

Example

Jane has a \$1200 debt and she made a \$600 voluntary repayment.

With the 10% bonus that Jane receives her repayment is \$660 which reduces her debt to \$540. Jane received \$60 bonus amount or 10% of her voluntary repayment.

Chapter 6 of the VET FEE-HELP Information booklet outlines at 6.10 voluntary repayments and the bonus of 10%.

Is there a discount if I pay my debt off early?

If you wish to pay off your total debt, the amount of your repayment is your total debt divided by 1.10, to take into account the 10% bonus.

What happens if I accumulate a FEE-HELP debt but from that point never earn over the threshold?

If you never earn over the minimum repayment threshold for compulsory repayment, the loan is never required to be paid.

FEES AND CHARGES

Are there any loan charges?

There is no application fee for requesting VET FEE-HELP assistance, however, a loan fee of 20% applies to all students accruing VET FEE-HELP loans. The loan fee does not count towards your FEE-HELP balance.

There is no interest charged on your VET FEE-HELP debt. However, your debt is indexed annually by the Australian Tax Office to maintain its real value. Any indexation amount does not increase your FEE-HELP balance.

For more information see Chapter 3 of the VET FEE-HELP Information booklet.

FEE-HELP AND TAX

Are there any penalties that apply if I do not repay enough by tax time?

Students start repaying their accumulated HELP debt when their repayment income is above the minimum repayment threshold for compulsory repayment. The ATO calculates an individual's compulsory repayment for that year and includes it on their income tax notice of assessment.

Students must advise their payer if they have an accumulated HELP debt on a *Tax File Number (TFN) declaration or Withholding declaration*. Payers must withhold additional amounts from a student's pay once they earn \$863 or more per week in the 2010—11 income year. The additional amounts withheld by a student's payer are to cover any compulsory repayment that may be calculated on their notice of assessment for the year. These amounts are not credited to their account during the year, but form part of the 'total tax withheld' shown on their annual *PAYG payment summary* and on their income tax notice of assessment at PAYG withholding credits. The compulsory repayment will not be calculated until a student's income tax return for that year is processed, and will be calculated using the repayment income threshold and repayment rates for that financial year. If they have not had enough withheld during the year, the amount to be repaid will appear on their income tax notice of assessment.

More information can be found on the ATO website about repaying HELP debts and the additional amounts withheld by a student's payer.

Chapter 6 of the VET FEE-HELP Information booklet outlines the repayment of HELP loans.

Is there any way I can claim the course expenses if it is work related and I have used VET FEE-HELP to pay for it?

The VET FEE-HELP Information booklet outlines that students may be entitled to a tax deduction for their tuition fees including tuition fees deferred through VET FEE-HELP assistance, if there is a direct connection between their education and their work activities at the time the expense was incurred. Students can phone the ATO on 13 28 61 for further advice or visit the ATO website. The loan fee, the compulsory repayment and any voluntary repayment of a student's VET FEE-HELP debt is not tax deductible.

For more information see Chapter 3.7 of the VET FEE-HELP Information booklet.

PREVIOUS STUDY AND VET FEE-HELP

I have a HECS debt. Does this affect the amount of VET FEE-HELP assistance I can access?

No. Although HECS-HELP is part of an accumulated HELP debt, having a current or past HECS-HELP debt does not affect your VET FEE-HELP loan limit or your eligibility for VET FEE-HELP assistance.

I have a FEE-HELP debt. Do I still need to apply for VET FEE-HELP?

If you are currently accessing FEE-HELP, or have in the past, you will still need to apply for VET FEE-HELP assistance with an approved VET provider.

I have a FEE-HELP debt. Does this affect the amount of VET FEE-HELP assistance I can access?

Yes. The FEE-HELP limit is the amount of VET FEE-HELP or FEE-HELP you are able to borrow over a lifetime. As you use VET FEE-HELP or FEE-HELP to pay tuition fees, the amount you may borrow in the future is reduced. Once you borrow an amount equal to the FEE-HELP limit you will not be able to receive VET FEE-HELP (or FEE-HELP) assistance to pay tuition fees in the future. This applies even if you have partially or fully repaid your VET FEE-HELP (or FEE-HELP) loan.

If you have a FEE-HELP debt you should ensure that you have a sufficient FEE-HELP balance to cover the course you are enrolling in.

I already have a qualification can I still get a VET FEE-HELP loan?

Yes. Previous qualifications or study results do not affect your eligibility for VET FEE-HELP; however, you are not entitled to VET FEE-HELP assistance for units in excess of what you need to do to be awarded your qualification.

For more information see Chapter 2 of the VET FEE-HELP Information booklet.

CHECKING A FEE-HELP BALANCE

How do I find out what my FEE-HELP balance is?

You may wish to contact the Australian Tax Office on 13 28 61 to get the balance of your HELP account or to order an information statement.

It is important to keep a record of all CANs which are sent to you by your provider. You need to be aware of the total amount of tuition fees that have been paid on your behalf using VET FEE-HELP (and FEE-HELP if applicable). Your FEE-HELP balance is the amount of the FEE-HELP limit less the amount of any VET FEE-HELP loan you have requested for tuition fees.

For more information see Chapter 6 of the VET FEE-HELP Information booklet.

How can I check if my VET FEE-HELP debt is correct?

Within 28 days following the census date for your unit of study, your provider will send you a Commonwealth Assistance Notice (CAN) for that unit. The CAN will provide you with information on your VET FEE-HELP debt for that unit, including any loan fee you may have incurred. The CAN may cover more than one unit.

Your CAN will enable you to check if the calculation of your VET FEE-HELP debt for that unit(s) covered by the notice is correct.

If you believe your CAN is incorrect, you should give the appropriate officer of your provider a written request asking for the CAN to be corrected. You should identify the matters in the CAN that you believe are not correct and specify why you believe they are incorrect. You must submit your request within 14 days of the issue date of your CAN (or such longer period as your provider allows).

For more information see Chapter 4 of the VET FEE-HELP Information booklet.

OTHER

Who is an approved VET provider?

An approved VET provider is a Registered Training Organisation (RTO) that has been approved by the Australian Government to offer VET FEE-HELP assistance to their students. A list of approved VET providers is available on the VET provider page on the www.deewr.gov.au/vetfeehelp website.

What are some of the important things my VET provider should be telling me when talking about VET FEE-HELP?

VET providers should advise students that they may be eligible to defer their fees by accessing VET FEE-HELP. Providers should ensure that students are aware that VET FEE-HELP assistance is a student loan with the Australian Government.

Students should be aware of their census date (or an administrative date if set earlier), and that they will not be entitled to VET FEE-HELP if they have not submitted their form on or before that date. Providers should also notify students that if they do not withdraw from their unit on or before the census date they will incur a debt. VET providers must also ensure that they inform students of the correct withdrawal procedures and how they apply to have their FEE-HELP balance re-credited in special circumstances.

What is a full fee-paying student?

A full fee-paying student is a student enrolled in a VET course of study for which the provider does not receive any funding from a State, Territory or the Commonwealth in relation to the students enrolment in that course.

How do I know if I'm a subsidised student in a Reform State or Territory?

A subsidised student is a student enrolled in a VET course of study for which the provider receives funding from the State or Territory they are enrolled in. Currently only Victoria is a Reform State/Territory for the purposes of VET FEE-HELP. A subsidised student is only eligible for VET FEE-HELP assistance for a VET unit of study where:

- The unit forms part of a Vet course of study leading to a Diploma or Advanced Diploma; and
- The student is enrolled in the unit in the subsidising State or Territory; and
- The subsidising state or territory is a Reform State or Territory.

If you are unsure whether or not you are a subsidised student please check with your VET provider.

What is the disallowance period?

All organisations intending on offering VET FEE-HELP assistance must go through an approval process. Following approval by the Minister for Education, each notice of approval is subject to a disallowance period of 15 sitting days in both Houses of Parliament. During this time the approval may be 'disallowed' and the provider will no longer be able to offer VET FEE-HELP assistance.

Students accessing, or thinking of accessing VET FEE-HELP assistance at an approved VET provider who is in their disallowance period (marked by an asterisk), should be aware that if the provider becomes subject to a disallowance by Parliament they will be unable to access VET FEE-HELP assistance for the remainder of the course they are enrolled in.

What happens if I fail a unit?

If you fail a unit, you will still incur a VET FEE-HELP debt for that unit regardless of whether or not you attended any classes.

For more information see Chapter 5 of the VET FEE-HELP Information booklet.

What happens to my debt if I die?

A trustee or executor needs to lodge all outstanding income tax returns on behalf of the deceased person, up to the date of the person's death. Any compulsory repayment included on an income tax notice of assessment relating to the period before the person's death must be paid from the estate, but the remainder of the debt is cancelled. Neither the deceased person's family nor the trustee is required to pay the remainder of the accumulated HELP debt.

For more information see Chapter 6 of the VET FEE-HELP Information booklet.