

NOTIFY ME

Inland Revenue's student loan update

April 2017 • IR229

New Zealand-based borrowers with two jobs

If you're a New Zealand-based borrower with two jobs, you may be eligible for a special deduction rate. This reduced rate helps you make the right repayments on secondary income.

You can apply for a special deduction rate if you:

- have more than one job (includes income-tested benefits, student allowance and New Zealand Superannuation)
- use the SB SL or S SL tax code for your secondary job(s)
- earn less than the pay period repayment threshold (\$368 per week) from your main job.

If you don't apply, student loan repayments on your secondary income will be deducted at the standard rate (12% of your gross pay). These deductions may be more than you need to pay, but the extra amount can't be refunded. It can only be applied to your student loan balance.

You can apply for a special deduction rate on secondary income through your myIR account.

Note: Special deduction rates are valid for up to 3 months at a time. You'll need to reapply each quarter if you want to continue to have a special deduction rate.

For more information on special deduction rates, go to:

www.ird.govt.nz/studentloans/working/employed



One student loan statement a year

We're reducing the number of student loan statements we send you.

As all your account information is available online, we'll send you just one statement a year. You'll receive this in May.

This change doesn't apply if you:

- still get loan payments from Studylink, or
- have overdue payments.

Don't want to wait until May? You can check your student loan balance online at any time with a myIR account. Go to www.ird.govt.nz/myir to login or register.



Inland Revenue
Te Tari Taake

Welcome to Notify Me

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If you have any suggestions for topics you'd like covered in this newsletter, email us at

StudentLoanNotifyMe@ird.govt.nz



REMINDERS

April: Administration fee of \$40 was charged 1 April to student loan accounts with a balance of \$20 or more as at 31 March.

End-of-year repayment for year ending 31 March 2016 was due 7 April for New Zealand-based borrowers who had a tax agent with a valid extension of time.

May: Statements issued to all borrowers.

Overseas-based borrowers notice of assessment for the 2018 tax year (1 April 2017 to 1 March 2018) issued.

Note: If a due date falls on a weekend, public holiday or provincial anniversary day, we can receive your return or payment on the next working day without a penalty being applied.

Government-funded scholarship recipients interest free

From 21 February 2017, if you're receiving a qualifying New Zealand Government-funded scholarship, your student loan may be able to remain interest free while you're overseas.

Scholarship recipients can be:

- studying full-time overseas, or
- undertaking an internship that is full-time, or part-time with part-time study overseas.

If your partner accompanies you, they may also be eligible for their student loan to remain interest free.

Borrowers need to verify their scholarship is eligible with **Education New Zealand (ENZ)** before applying to Inland Revenue.

For more information on how to remain interest free on a Government-funded scholarship, go to **www.ird.govt.nz** (search keywords: student loans interest free).

New student loan calculator

We've been busy working on a new student loan calculator.

You can use it to find out:

- how long it will take to get loan-free
- how extra repayments can get you loan-free faster, and
- if you're an overseas-based borrower – how to save on interest.

To try our calculator go to: **www.ird.govt.nz** (search keywords: student loan calculator)

Like us on Facebook

The Student Loans NZ Facebook page is all about helping you. We'll keep you informed with the latest tips and information. You can also ask questions you may not want to call us about.

Like us today to keep up-to-date on everything student loans at **www.facebook.com** (search keywords: Student Loans NZ)

Are you in Australia?

If you're currently living in Australia or planning to go there for 6 months or more, there's something important you need to know.

We're now exchanging information with the Australian Taxation Office so it's a good time to check we have your correct contact details.

You can keep track of your loan and update your contact details online at anytime with your myIR account.

Remember if you're worried about your loan or you have overdue payments please contact us to go through your options.

You can contact us by:

- SecureMail in myIR, or
- phone (from Australia on 1800 559 653 or New Zealand on 0800 377 778).

Missed your 31 March repayment?

If you're an overseas-based borrower and not on a repayment holiday, you need to make two repayments a year based on the size of your loan. These repayments are due on 30 September and 31 March.

If you didn't pay by 31 March you can still make a payment to keep your student loan account up-to-date.

The best way to pay your student loan is online:

- **Online money transfer:** HiFX, NZ Forex, OrbitRemit and Western Union offer a service for student loan payments made from overseas. They can also set up recurring payments to make it easier to meet your repayment obligations.
- **PayWay:** If you're in Australia, you can set up a PayWay direct debit for your student loan repayments.
- **Credit or debit card:** You can also pay online using your credit or debit card. We waive the convenience fee for student loan repayments made from overseas.

For more information on how to make a payment, go to **www.ird.govt.nz/makepayment**

