

NOTIFY ME

Inland Revenue's student loan update

August 2016 • IR229

Get student loan-free fast

Use our *Student loan repayment calculator* to find out how fast you can get student loan-free. This online tool will show an estimate of your current loan term and how you can reduce it by making regular extra payments.

To use the calculator you will need your:

- current loan balance, and
- income for the current tax year (New Zealand-based borrowers), or current year repayment obligation (overseas-based borrowers)



Example: Meet Alex

Alex is a New Zealand-based borrower with a student loan balance of \$14,000. His fortnightly pay before deductions is \$1500. With an extra monthly payment of \$100 he can reduce his student loan term from six years to four. That's two years faster Alex can get student loan free.

To find out how fast you can get student loan-free go to www.ird.govt.nz/sl-calc

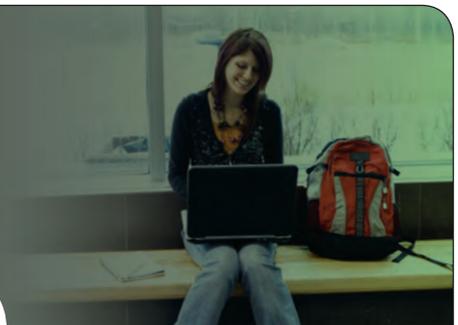
Are you living in Niue, Tokelau, the Cook Islands or Ross Dependency?

If you've left New Zealand but have been living in Niue, Tokelau, the Cook Islands or Ross Dependency for more than six months, your student loan may be eligible to remain interest-free.

To apply you need to provide information from Customs showing all travel for the period you're requesting an interest-free loan or a letter from an employer. This letter must state:

- you are/were their employee
- the date you started your employment
- the date you ended your employment (if applicable)
- any dates you may have been away from work
- your gross income (annually if applicable), and
- your employer's contact details

For more information on interest-free student loans while you're overseas go to www.ird.govt.nz/studentloans/overseas



Inland Revenue
Te Tari Taake

Welcome to Notify Me

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REMINDERS

28 August: The first 2016 interim repayment is due for New Zealand-based borrowers (who have a March balance date).

30 September: Overseas-based borrower repayment due (unless you're on a repayment holiday).

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.

If you have any suggestions for topics you'd like covered in this newsletter, email us at StudentLoanNotifyMe@ird.govt.nz

Check your student loan balance online with myIR

You can check your student loan balance online with a myIR account. Our secure online service is available 24 hours a day, seven days a week. That means if you're an overseas-based borrower you don't need to worry about time zones.

myIR makes managing your student loan quick and easy. You can use it to:

- check your loan balance and recent transactions
- apply for a repayment holiday
- send us enquiries by secure mail
- update personal details, and more.

Log in or register for myIR at www.ird.govt.nz/myir

Stagger or lump-sum payments

If you're an overseas-based borrower your minimum annual repayment obligations are based on your loan balance. You must meet two instalments dates each year (30 September and 31 March), with each instalment usually 50% of the repayment obligation.

If a lump-sum instalment is difficult to manage, remember we accept voluntary payments all year round. This gives you the option to stagger your repayment obligations.

For example, if you have an annual repayment obligation of \$4,000 you can pay:

- a lump-sum of \$2000 twice a year (30 September and 31 March)
- \$334 monthly,
- or \$77 weekly.

For more information on managing your student loan while you're overseas, go to www.ird.govt.nz/studentloans/overseas/managing

Like us on Facebook



If you're thinking about going overseas or want the latest tips and information about student loans - like us on Facebook.

The Student Loans NZ Facebook page is all about helping you.

We'll keep you informed and give you a place to ask questions you may not want to call us about, such as:

- What changes when I go overseas?
- What do I need to pay when I start working?
- When are my payments due?

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

Can you claim a tax credit for donations?

If you've made a donation you may be able to claim a tax credit. To be eligible you need to have made a receipted donation of \$5 or more to:

- an approved donee organisation
- an approved New Zealand religious or educational organisation
- approved overseas aid funds
- kindergartens
- state schools, state integrated schools, other schools who have been approved as a donee organisation, school boards of trustees or parent teacher associations.

You can ask for your tax credit to be put towards your student loan so you can pay it off even quicker.

To apply for a tax credit you need to file a *Tax credit claim form (IR526)* for the relevant tax year. You can download this at www.ird.govt.nz (search keyword: IR526).

Money Week 5-11 September 2016



Money Week is all about learning how to get ahead with your money. This nationwide event features a range of resources, events and learning opportunities for everyone.

As a student loan borrower you can find tips on how to budget and get into good financial shape for the future.

For more information about Money Week events go to www.moneyweek.org.nz

For more information about budgeting go to: www.sorted.org.nz

