



Schedule 8 – Statement of formulas for calculating study and training support loans components

A schedule to help calculate the amounts to be withheld from payments made on a weekly basis for employees who have a study and training support loan. For payments made from 1 July 2021 to 30 June 2022.

Last updated 24 June 2022

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Using this schedule

Calculating fortnightly, monthly or quarterly withholding amounts

The coefficients in this schedule should be used together with the Statement of formulas for calculating amounts to be withheld.

Use this statement of formulas for payments made from 1 July 2021 to 30 June 2022.


This document is a withholding schedule made by the Commissioner of Taxation in accordance with sections 15-25 and 15-30 of Schedule 1 to the *Taxation Administration Act 1953* (TAA). It applies to withholding payments covered by Subdivisions 12-B (except sections 12-50 and 12-55), 12-C (except sections 12-85 and 12-90) and 12-D of Schedule 1 to the TAA.

Using this schedule

You should use this schedule if you develop your own payroll software package. Formulas and coefficients are used for calculating weekly withholding amounts for employees who have a:

- Higher Education Loan Program (HELP) debt
- VET Student Loan (VSL) debt
- Financial Supplement (FS) debt
- Student Start-up Loan (SSL) debt (includes ABSTUDY SSL debts), or
- Trade Support Loan (TSL) debt.

See also

- The **Tax withheld calculator** which can help you work out the correct amount of tax to withhold from payments to most employees.
- You can download a printable version of [Statement of formulas for calculating study and training support loans components \(PDF 197KB\)](#) .

Using a formula

The withholding amounts for employees who have a study and training support loans debt can be expressed in a mathematical form.

If you have developed your own payroll software package, you can use the formulas and component rates outlined below.

The formulas comprise linear equations of the form **$y = ax$** , where:

- **y** is the weekly study and training support loans component
- **x** is the weekly earnings – or weekly equivalent of earnings – rounded down to whole dollars plus 99 cents
- **a** is the value of the component rate as shown in the following tables.

Study and training support loans component rates

Tax-free threshold claimed or foreign resident

| Weekly earnings (x) \$ | Component rate (a) % |
|-----------------------------------|---------------------------------|
| 0 – 903.99 | – |
| 904.00 – 1,042.99 | 1.0 |
| 1,043.00 – 1,105.99 | 2.0 |
| 1,106.00 – 1,171.99 | 2.5 |
| 1,172.00 – 1,242.99 | 3.0 |
| 1,243.00 – 1,316.99 | 3.5 |
| 1,317.00 – 1,395.99 | 4.0 |
| 1,396.00 – 1,479.99 | 4.5 |
| 1,480.00 – 1,568.99 | 5.0 |
| 1,569.00 – 1,662.99 | 5.5 |
| 1,663.00 – 1,762.99 | 6.0 |
| 1,763.00 – 1,868.99 | 6.5 |
| 1,869.00 – 1,980.99 | 7.0 |
| 1,981.00 – 2,099.99 | 7.5 |
| 2,100.00 – 2,223.99 | 8.0 |
| 2,224.00 – 2,359.99 | 8.5 |
| 2,360.00 – 2,500.99 | 9.0 |
| 2,501.00 – 2,650.99 | 9.5 |

| | |
|-----------------|------|
| 2,651.00 & over | 10.0 |
|-----------------|------|

No tax-free threshold claimed

| Weekly earnings (x) \$ | Component rate (a) % |
|----------------------------------|--------------------------------|
| 0 – 553.99 | – |
| 554.00 – 692.99 | 1.0 |
| 693.00 – 755.99 | 2.0 |
| 756.00 – 821.99 | 2.5 |
| 822.00 – 892.99 | 3.0 |
| 893.00 – 966.99 | 3.5 |
| 967.00 – 1,045.99 | 4.0 |
| 1,046.00 – 1,129.99 | 4.5 |
| 1,130.00 – 1,218.99 | 5.0 |
| 1,219.00 – 1,312.99 | 5.5 |
| 1,313.00 – 1,412.99 | 6.0 |
| 1,413.00 – 1,518.99 | 6.5 |
| 1,519.00 – 1,630.99 | 7.0 |
| 1,631.00 – 1,749.99 | 7.5 |
| 1,750.00 – 1,873.99 | 8.0 |
| 1,874.00 – 2,009.99 | 8.5 |
| 2,010.00 – 2,150.99 | 9.0 |

| | |
|---------------------|------|
| 2,151.00 – 2,300.99 | 9.5 |
| 2,301.00 – over | 10.0 |

Calculating fortnightly, monthly or quarterly withholding amounts

First calculate the weekly equivalent of fortnightly, monthly or quarterly earnings. If you pay:

- **fortnightly** – divide the sum of the fortnightly earnings and the amount of any allowances subject to withholding by two. Ignore any cents in the result and then add 99 cents
- **monthly** – obtain the sum of the monthly earnings and the amount of any allowances subject to withholding (if the result is an amount ending in 33 cents, add one cent). Multiply this amount by three and then divide by 13. Ignore any cents in the result and then add 99 cents
- **quarterly** – divide the sum of the quarterly earnings and the amount of any allowances subject to withholding by 13. Ignore any cents in the result and then add 99 cents.

Then calculate fortnightly, monthly or quarterly withholding amounts as follows:

- **fortnightly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by two
- **monthly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13, divide the product by three and round the result to the nearest dollar
- **quarterly** – determine the rounded weekly withholding amount applicable to the weekly equivalent of earnings before any adjustment for tax offsets. Multiply this amount by 13.

When to work out the study and training support loans component

Work out the weekly withholding amount including a study and training support loan component



PAYG withholding publications



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When to work out the study and training support loans component

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Rounding of withholding amounts

Payroll software

You will need to calculate the study and training support loans component when your employee has given you a **Tax file number declaration** or **Withholding declaration** and has:

- answered **yes** to the question on whether they have a
 - Higher Education Loan Program (HELP) debt
 - VET Student Loan (VSL) debt
 - Financial Supplement (FS) debt
 - Student Start-up Loan (SSL) debt (including ABSTUDY SSL debts)
 - Trade Support Loan (TSL) debt

- not completed a **Medicare levy variation declaration** claiming a reduction or exemption in the Medicare levy for having a spouse or dependants and low family income
- claimed the tax-free threshold or is a foreign resident with earnings of one of the following
 - \$904 or more if paid weekly
 - \$1,808 or more if paid fortnightly
 - \$3,917.33 or more if paid monthly
 - \$11,752 or more if paid quarterly.

If your employee has not claimed the tax-free threshold, the study and training support loans component is calculated on earnings of:

- \$554 or more if paid weekly
- \$1,108 or more if paid fortnightly
- \$2,400.67 or more if paid monthly
- \$7,202 or more if paid quarterly.

You must withhold the study and training support loans component from all your employee's earnings, including taxable allowances, bonuses and commissions.

Example 1

Employee has claimed the tax-free threshold and has weekly earnings of \$1,095.84.

STSL component = $\$1,095.99 \times 2\% = \22.00 rounded to the nearest dollar.

Example 2

Employee has claimed the tax-free threshold and has fortnightly earnings of \$2,355.78.

Weekly equivalent of $\$2,355.78 = \$1,177.99$ ($\$2,355.78 \div 2$,

ignoring cents and adding 99 cents).

Weekly STSL component = $\$1,177.99 \times 3\% = \35.00 rounded to the nearest dollar.

Fortnightly STSL component = $\$70.00$ ($\$35.00 \times 2$).

Example 3

Employee has claimed the tax-free threshold and has monthly earnings of \$5,488.45.

Weekly equivalent of \$5,488.45 = $\$1,266.99$

($\$5,488.45 \times 3 \div 13$, ignoring cents and adding 99 cents).

Weekly STSL component = $\$1,266.99 \times 3.5\% = \44.00 rounded to the nearest dollar.

Monthly STSL component = $\$191.00$ ($\$44.00 \times 13 \div 3$, rounded to the nearest dollar).

Do not withhold any amount for study and training support loans debts from lump sum termination payments.

Rounding of withholding amounts

Withholding amounts calculated as a result of applying the above formulas are rounded to the nearest dollar. Values ending in 50 cents are rounded to the next higher dollar. Do this rounding directly – that is, do not make a preliminary rounding to the nearest cent.

Payroll software

Software written in accordance with the formulas in this schedule should be tested for accuracy against the sample data provided at **Tax tables**. The results obtained when using the coefficients in this schedule may differ slightly from the sums of the amounts shown in the PAYG tax tables. The differences result from the rounding of components. Withholding calculated using either method is accepted.

Work out the weekly withholding amount including a study and training support loan component

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Using a formula

Where tax-free threshold not claimed in Tax file number declaration – scale 1

Where employee has claimed the tax-free threshold in Tax file number declaration – scale 2

Foreign residents – scale 3

Where employee claimed FULL exemption from Medicare levy in Medicare levy variation declaration – scale 5

Where employee claimed HALF exemption from Medicare levy in Medicare levy variation declaration – scale 6

Your employee's total withholding, including the study and training support loans component, can be calculated using the formula and coefficients stated below.

Using a formula

The formulas comprise linear equations of the form $y = ax - b$, where:

- **y** is the weekly withholding amount expressed in dollars
- **x** is the number of whole dollars in the weekly earnings plus 99 cents
- **a** and **b** are the values of the coefficients for each set of formulas for each range of weekly earnings (or, in the case of fortnightly, monthly or quarterly earnings, the weekly equivalent of these amounts).

If two employees are taxed using a particular scale (for example, scale 2) but only one of them has a study and training support loans debt, you will need to set up two separate scales in your payroll system. One scale will need to incorporate the study and training support loans component and one will not – for example, name one ‘scale 2’ and the other ‘scale 22’.

The study and training support loans component **does not** apply if the employee has not provided a tax file number (TFN).

For scales without the study and training support loans component, refer to Statement of formulas for calculating amounts to be withheld.

Where tax-free threshold not claimed in *Tax file number declaration – scale 1*

With study and training support loans debt

| Weekly earnings (x) less than \$ | a | b |
|--|--------|---------|
| 88 | 0.1900 | 0.1900 |
| 371 | 0.2348 | 3.9639 |
| 515 | 0.2190 | -1.9003 |
| 554 | 0.3477 | 64.4297 |
| 693 | 0.3577 | 64.4297 |
| 756 | 0.3677 | 64.4297 |
| 822 | 0.3727 | 64.4297 |
| 893 | 0.3777 | 64.4297 |
| 932 | 0.3827 | 64.4297 |
| 967 | 0.3800 | 61.9132 |

| | | |
|--------------|--------|----------|
| 1,046 | 0.3850 | 61.9132 |
| 1,130 | 0.3900 | 61.9132 |
| 1,219 | 0.3950 | 61.9132 |
| 1,313 | 0.4000 | 61.9132 |
| 1,413 | 0.4050 | 61.9132 |
| 1,519 | 0.4100 | 61.9132 |
| 1,631 | 0.4150 | 61.9132 |
| 1,750 | 0.4200 | 61.9132 |
| 1,874 | 0.4250 | 61.9132 |
| 1,957 | 0.4300 | 61.9132 |
| 2,010 | 0.4750 | 150.0093 |
| 2,151 | 0.4800 | 150.0093 |
| 2,301 | 0.4850 | 150.0093 |
| 3,111 | 0.4900 | 150.0093 |
| 3,111 & over | 0.5700 | 398.9324 |

Where employee has claimed the tax-free threshold in *Tax file number declaration* – scale 2

With study and training support loans debt

| Weekly earnings (x) less than \$ | a | b |
|---|----------|----------|
| | | |

| | | |
|-------|--------|----------|
| 359 | – | – |
| 438 | 0.1900 | 68.3462 |
| 548 | 0.2900 | 112.1942 |
| 721 | 0.2100 | 68.3465 |
| 865 | 0.2190 | 74.8369 |
| 904 | 0.3477 | 186.2119 |
| 1,043 | 0.3577 | 186.2119 |
| 1,106 | 0.3677 | 186.2119 |
| 1,172 | 0.3727 | 186.2119 |
| 1,243 | 0.3777 | 186.2119 |
| 1,282 | 0.3827 | 186.2119 |
| 1,317 | 0.3800 | 182.7504 |
| 1,396 | 0.3850 | 182.7504 |
| 1,480 | 0.3900 | 182.7504 |
| 1,569 | 0.3950 | 182.7504 |
| 1,663 | 0.4000 | 182.7504 |
| 1,763 | 0.4050 | 182.7504 |
| 1,869 | 0.4100 | 182.7504 |
| 1,981 | 0.4150 | 182.7504 |
| 2,100 | 0.4200 | 182.7504 |
| 2,224 | 0.4250 | 182.7504 |

| | | |
|--------------|--------|----------|
| 2,307 | 0.4300 | 182.7504 |
| 2,360 | 0.4750 | 286.5965 |
| 2,501 | 0.4800 | 286.5965 |
| 2,651 | 0.4850 | 286.5965 |
| 3,461 | 0.4900 | 286.5965 |
| 3,461 & over | 0.5700 | 563.5196 |

Foreign residents – scale 3

With study and training support loans
debt

| Weekly earnings (x) less than \$ | a | b |
|--|--------|--------|
| 904 | 0.3250 | 0.3250 |
| 1,043 | 0.3350 | 0.3250 |
| 1,106 | 0.3450 | 0.3250 |
| 1,172 | 0.3500 | 0.3250 |
| 1,243 | 0.3550 | 0.3250 |
| 1,317 | 0.3600 | 0.3250 |
| 1,396 | 0.3650 | 0.3250 |
| 1,480 | 0.3700 | 0.3250 |
| 1,569 | 0.3750 | 0.3250 |
| 1,663 | 0.3800 | 0.3250 |

| | | |
|--------------|--------|----------|
| 1,763 | 0.3850 | 0.3250 |
| 1,869 | 0.3900 | 0.3250 |
| 1,981 | 0.3950 | 0.3250 |
| 2,100 | 0.4000 | 0.3250 |
| 2,224 | 0.4050 | 0.3250 |
| 2,307 | 0.4100 | 0.3250 |
| 2,360 | 0.4550 | 103.8462 |
| 2,501 | 0.4600 | 103.8462 |
| 2,651 | 0.4650 | 103.8462 |
| 3,461 | 0.4700 | 103.8462 |
| 3,461 & over | 0.5500 | 380.7692 |

Where employee claimed FULL exemption from Medicare levy in *Medicare levy variation declaration* – scale 5

With study and training support loans debt

| Weekly earnings (x) less than \$ | a | b |
|---|----------|----------|
| 359 | – | – |
| 721 | 0.1900 | 68.3462 |
| 865 | 0.1990 | 74.8365 |
| 904 | 0.3277 | 186.2115 |

| | | |
|--------------|--------|----------|
| 1,043 | 0.3377 | 186.2115 |
| 1,106 | 0.3477 | 186.2115 |
| 1,172 | 0.3527 | 186.2115 |
| 1,243 | 0.3577 | 186.2115 |
| 1,282 | 0.3627 | 186.2115 |
| 1,317 | 0.3600 | 182.7500 |
| 1,396 | 0.3650 | 182.7500 |
| 1,480 | 0.3700 | 182.7500 |
| 1,569 | 0.3750 | 182.7500 |
| 1,663 | 0.3800 | 182.7500 |
| 1,763 | 0.3850 | 182.7500 |
| 1,869 | 0.3900 | 182.7500 |
| 1,981 | 0.3950 | 182.7500 |
| 2,100 | 0.4000 | 182.7500 |
| 2,224 | 0.4050 | 182.7500 |
| 2,307 | 0.4100 | 182.7500 |
| 2,360 | 0.4550 | 286.5962 |
| 2,501 | 0.4600 | 286.5962 |
| 2,651 | 0.4650 | 286.5962 |
| 3,461 | 0.4700 | 286.5962 |
| 3,461 & over | 0.5500 | 563.5192 |

Where employee claimed HALF exemption from Medicare levy in *Medicare levy variation declaration* – scale 6

With study and training support loans
debt

| Weekly earnings (x) less than \$ | a | b |
|--|--------|----------|
| 359 | – | – |
| 721 | 0.1900 | 68.3462 |
| 739 | 0.1990 | 74.8365 |
| 865 | 0.2490 | 111.8308 |
| 904 | 0.3777 | 223.2058 |
| 924 | 0.3877 | 223.2058 |
| 1,043 | 0.3477 | 186.2119 |
| 1,106 | 0.3577 | 186.2119 |
| 1,172 | 0.3627 | 186.2119 |
| 1,243 | 0.3677 | 186.2119 |
| 1,282 | 0.3727 | 186.2119 |
| 1,317 | 0.3700 | 182.7504 |
| 1,396 | 0.3750 | 182.7504 |
| 1,480 | 0.3800 | 182.7504 |
| 1,569 | 0.3850 | 182.7504 |

| | | |
|--------------|--------|----------|
| 1,663 | 0.3900 | 182.7504 |
| 1,763 | 0.3950 | 182.7504 |
| 1,869 | 0.4000 | 182.7504 |
| 1,981 | 0.4050 | 182.7504 |
| 2,100 | 0.4100 | 182.7504 |
| 2,224 | 0.4150 | 182.7504 |
| 2,307 | 0.4200 | 182.7504 |
| 2,360 | 0.4650 | 286.5965 |
| 2,501 | 0.4700 | 286.5965 |
| 2,651 | 0.4750 | 286.5965 |
| 3,461 | 0.4800 | 286.5965 |
| 3,461 & over | 0.5600 | 563.5196 |

Notes:

Scale 1 contains a negative value for one of the b coefficients. This is intentional.

Withholding amounts including the study and training support loans component worked out using the coefficients may differ slightly from the sums of the amounts shown in the PAYG and study and training support loans tax tables. The differences result from the rounding of components. Withholding calculated using either method is accepted.

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PAYG withholding publications

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You can access all PAYG withholding tax tables and other PAYG withholding publications quickly and easily from our website. For more information, refer to:

- Tax tables
- PAYG withholding.

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