Statement of formulas for calculating study and training support loans components

The coefficients in this schedule should be used together with the *Statement of formulas for calculating amounts to be withheld* (NAT 1004)

For payments made from 1 July 2023 to 30 June 2024

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 or accounting 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.

For a full list of tax tables, visit our website at **ato.gov.au/taxtables**

Our tax withheld calculator can help you work out the correct amount of tax to withhold from payments to most employees. To access the calculator, visit our website at **ato.gov.au/taxwithheldcalculator**

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 or accounting 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

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- **a** is the value of the component rate as shown in the following tables.

Study and training support loans components rates

Tax-free threshold claimed or foreign resident

Weekly earnings (x) $			Component rate (a) %
—	to	990.99	—
991.00	to	1,143.99	1.0
1,144.00	to	1,212.99	2.0
1,213.00	to	1,285.99	2.5
1,286.00	to	1,362.99	3.0
1,363.00	to	1,444.99	3.5
1,445.00	to	1,530.99	4.0
1,531.00	to	1,622.99	4.5
1,623.00	to	1,720.99	5.0
1,721.00	to	1,823.99	5.5
1,824.00	to	1,932.99	6.0
1,933.00	to	2,048.99	6.5
2,049.00	to	2,171.99	7.0
2,172.00	to	2,302.99	7.5
2,303.00	to	2,440.99	8.0
2,441.00	to	2,586.99	8.5
2,587.00	to	2,742.99	9.0
2,743.00	to	2,906.99	9.5
2,907.00	and	over	10.0

No tax-free threshold claimed

Weekly earnings (x) $			Component rate (a) %
—	to	640.99	—
641.00	to	793.99	1.0
794.00	to	862.99	2.0
863.00	to	935.99	2.5
936.00	to	1,012.99	3.0
1,013.00	to	1,094.99	3.5
1,095.00	to	1,180.99	4.0
1,181.00	to	1,272.99	4.5
1,273.00	to	1,370.99	5.0
1,371.00	to	1,473.99	5.5
1,474.00	to	1,582.99	6.0
1,583.00	to	1,698.99	6.5
1,699.00	to	1,821.99	7.0
1,822.00	to	1,952.99	7.5
1,953.00	to	2,090.99	8.0
2,091.00	to	2,236.99	8.5
2,237.00	to	2,392.99	9.0
2,393.00	to	2,556.99	9.5
2,557.00	and	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 2. 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 3 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 2
- **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 3 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

You will need to calculate the study and training support loans component when your employee has given you a *Tax file number declaration* (NAT 3092) or *Withholding declaration* (NAT 3093) 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) or
  - Trade Support Loan (TSL) debt
- not completed a *Medicare levy variation declaration* (NAT 0929) 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:
  - $991 or more if paid weekly
  - $1,982 or more if paid fortnightly
  - $4,294.33 or more if paid monthly
  - $12,883 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:

- $641 or more if paid weekly
- $1,282 or more if paid fortnightly
- $2,777.67 or more if paid monthly
- $8,333 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 – weekly earnings
>
> Employee has claimed the tax-free threshold and has weekly earnings of $1,095.84.
>
> STSL component = $1,095.99 x 1% = $11.00 rounded to the nearest dollar.
>
> ### Example 2 – fortnighly earnings
>
> 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 ÷ 2, ignoring cents and adding 99 cents).
>
> Weekly STSL component = $1,177.99 x 2% = $24.00 rounded to the nearest dollar.
>
> Fortnightly STSL component = $48.00 ($24.00 x 2).
>
> ### Example 3 – monthly earnings
>
> 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 x 3 ÷ 13, ignoring cents and adding 99 cents).
>
> Weekly STSL component = $1,266.99 x 2.5% = $32.00 rounded to the nearest dollar.
>
> Monthly STSL component = $139.00 ($32.00 x 13/3, 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.

Software

Payroll or accounting software written in accordance with the formulas in this schedule should be tested for accuracy against the sample data provided at **ato.gov.au/taxtables**. The results obtained when using the coefficients in this schedulse may differ slightly from the sums of the amounts shown in the pay as you go (PAYG) tax tables. The differences result from the rounding of components. Withholding calculated using either method is accepted.

Coefficients to work out the weekly amounts to withhold

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* (NAT 1004)**.**

Where tax-free threshold NOT claimed in *Tax file number declaration* Scale 1		
WITH STSL Debt		
Weekly earnings (x) less than $	a	b
88	0.1900	0.1900
371	0.2348	3.9639
515	0.2190	-1.9003
641	0.3477	64.4297
794	0.3577	64.4297
863	0.3677	64.4297
932	0.3727	64.4297
936	0.3700	61.9132
1013	0.3750	61.9132
1095	0.3800	61.9132
1181	0.3850	61.9132
1273	0.3900	61.9132
1371	0.3950	61.9132
1474	0.4000	61.9132
1583	0.4050	61.9132
1699	0.4100	61.9132
1822	0.4150	61.9132
1953	0.4200	61.9132
1957	0.4250	61.9132
2091	0.4700	150.0093
2237	0.4750	150.0093
2393	0.4800	150.0093
2557	0.4850	150.0093
3111	0.4900	150.0093
3111 and over	0.5700	398.9324

Where employee has claimed the tax free threshold in *Tax file number declaration* Scale 2		
WITH STSL 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
991	0.3477	186.2119
1144	0.3577	186.2119
1213	0.3677	186.2119
1282	0.3727	186.2119
1286	0.3700	182.7504
1363	0.3750	182.7504
1445	0.3800	182.7504
1531	0.3850	182.7504
1623	0.3900	182.7504
1721	0.3950	182.7504
1824	0.4000	182.7504
1933	0.4050	182.7504
2049	0.4100	182.7504
2172	0.4150	182.7504
2303	0.4200	182.7504
2307	0.4250	182.7504
2441	0.4700	286.5965
2587	0.4750	286.5965
2743	0.4800	286.5965
2907	0.4850	286.5965
3461	0.4900	286.5965
3461 and over	0.5700	563.5196

Foreign residents Scale 3 WITH STSL Debt		
Weekly earnings (x) less than $	a	b
991	0.3250	0.3250
1144	0.3350	0.3250
1213	0.3450	0.3250
1286	0.3500	0.3250
1363	0.3550	0.3250
1445	0.3600	0.3250
1531	0.3650	0.3250
1623	0.3700	0.3250
1721	0.3750	0.3250
1824	0.3800	0.3250
1933	0.3850	0.3250
2049	0.3900	0.3250
2172	0.3950	0.3250
2303	0.4000	0.3250
2307	0.4050	0.3250
2441	0.4500	103.8462
2587	0.4550	103.8462
2743	0.4600	103.8462
2907	0.4650	103.8462
3461	0.4700	103.8462
3461 and over	0.5500	380.7692

Where employee claimed FULL exemption from Medicare levy in *Medicare levy variation declaration* Scale 5 WITH STSL Debt		
Weekly earnings (x) less than $	a	b
359	—	—
721	0.1900	68.3462
865	0.1990	74.8365
991	0.3277	186.2115
1144	0.3377	186.2115
1213	0.3477	186.2115
1282	0.3527	186.2115
1286	0.3500	182.7500
1363	0.3550	182.7500
1445	0.3600	182.7500
1531	0.3650	182.7500
1623	0.3700	182.7500
1721	0.3750	182.7500
1824	0.3800	182.7500
1933	0.3850	182.7500
2049	0.3900	182.7500
2172	0.3950	182.7500
2303	0.4000	182.7500
2307	0.4050	182.7500
2441	0.4500	286.5962
2587	0.4550	286.5962
2743	0.4600	286.5962
2907	0.4650	286.5962
3461	0.4700	286.5962
3461 and over	0.5500	563.5192

Where employee claimed HALF exemption from Medicare levy in *Medicare levy variation declaration* Scale 6 WITH STSL Debt		
Weekly earnings (x) less than $	a	b
359	—	—
721	0.1900	68.3462
739	0.1990	74.8365
865	0.2490	111.8308
924	0.3777	223.2058
991	0.3377	186.2119
1144	0.3477	186.2119
1213	0.3577	186.2119
1282	0.3627	186.2119
1286	0.3600	182.7504
1363	0.3650	182.7504
1445	0.3700	182.7504
1531	0.3750	182.7504
1623	0.3800	182.7504
1721	0.3850	182.7504
1824	0.3900	182.7504
1933	0.3950	182.7504
2049	0.4000	182.7504
2172	0.4050	182.7504
2303	0.4100	182.7504
2307	0.4150	182.7504
2441	0.4600	286.5965
2587	0.4650	286.5965
2743	0.4700	286.5965
2907	0.4750	286.5965
3461	0.4800	286.5965
3461 and over	0.5600	563.5196

Notes:

Scale 1 contains a negative vlaue for one of the b coeffcients. 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.

For sample data, visit our website at **ato.gov.au/taxtables**

PAYG withholding publications

You can access all PAYG tax tables and other PAYG withholding publications at:

- **ato.gov.au/taxtables**
- **ato.gov.au/paygw**