



## Calculating HECS-HELP Discount on Upfront Payments

Assuming that a student is enrolled into 4 subjects, each incurring a HECS charge of \$500.00, with their total tuition charges for the session equalling \$2000.00

### Option 1: Full Upfront Payment – 10% discount

Amount paid upfront by student	\$1800.00	(90% of \$2000.00)
Discount incentive from the government	\$200.00	(10% of \$2000.00)

### Option 2: Partial Upfront Payment – 10% on contribution amount

Student decides to make the minimum \$500.00 partial up front payment.

Amount paid upfront by student	\$500.00	(90% of debt reduction)
Discount incentive from the government	\$55.56	(10% of debt reduction)
Total debt reduction	\$555.56	(100% of debt reduction)

Balance of HECS-HELP Loan deferred to ATO \$1444.44

### EXAMPLE OF FEE STATEMENT ON PARTIAL UPFRONT PAYMENT

Date	Description	Amount	Balance
14/07/2012	CSS 2012 Spring ACCY100 discount rate (full cost \$500.00) due 31/08/2012	450.00	450.00
14/07/2012	CSS 2012 Spring ACCY101 discount rate (full cost \$500.00) due 31/08/2012	450.00	900.00
14/07/2012	CSS 2012 Spring ACCY102 discount rate (full cost \$500.00) due 31/08/2012	450.00	1350.00
14/07/2012	CSS 2012 Spring ACCY103 discount rate (full cost \$500.00) due 31/08/2012	450.00	1800.00
30/08/2012	Payment – receipt number 1234567	(500.00)	1300.00
31/08/2012	HECS-HELP Discount not taken for course 710 Spring 2012	144.44	1444.44
31/08/2012	HECS-HELP Loan for course 710 Spring 2012	(1444.44)	0.00

### Important Points to Remember About HECS-HELP Discounts

- Making a partial upfront payment is optional. If a student has nominated partial upfront billing option, they don't have to actually make a payment.
- \$500.00 is the minimum allowed for a partial upfront payment. A student may choose to pay more than the minimum.
- Whatever HECS remains unpaid after census date, will be automatically deferred as a HECS-HELP Loan.
- The 20% discount is expressed as a proportion of the full cost, not the amount of the upfront payment.