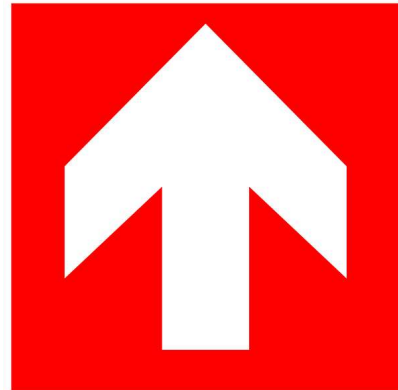


Huge HELP debt indexation rate increase coming 1st June

Outstanding HELP debt balances are indexed every year. This year however, the indexation factor used is set to be the largest it has been in decades thanks to higher inflation. The rate increase is due to apply on 1st June, so if possible you may want to consider repaying some or all of any applicable HELP debt to reduce or eliminate the impact.

Interest is not payable on outstanding HELP debts, but each year any balance owing is increased by an indexation factor. **The indexation rate set to be applied this year is 7.1%!** By way of comparison, it was 3.9% last year and only 0.6% for 2021. In fact, 7.1% is the highest indexation factor to have been applied to outstanding HELP debts since 1990!



The increase only applies to the balance owing as at 1st June, so if this applies to you, any additional amount added to the debt can be reduced by making a [voluntary repayment](#) towards the amount outstanding.

HELP loans include HECS and Fee Help, as well as certain loans to assist with student services payments and overseas study expenses. Repayments are made as part of an individual's annual income tax assessment (i.e. when they lodge their tax return) and are made at [different rates based on taxable income](#). For 2022-23, no repayment is required where taxable income is below \$48,361, however the debt remains outstanding and will continue to index each year.

If you have a HELP debt and would like some assistance with making a repayment prior to 1st June, please [contact us](#).

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For further advice or information please contact us. Whilst this newsletter is issued as a guide, no responsibility is accepted by Dewings for loss by any person acting or refraining from acting on the material provided. The information enclosed should not be substituted for professional advice.

This information is not 'financial product advice' as defined by the Corporations Act. Taxation is only one of the matters that you need to consider when making a decision on a financial product. You should

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