Government of South Australia

Smart™

How could you **save** when you **salary package** with a student **HELP debt**?

Benefits

- ✓ Increase the value of your take home pay – meaning more in your pocket
- ✓ Pay your debt off with a portion of your tax savings
- ✓ Reduce the time taken to pay off your debt

How does it work?

Here is an example based on John who earns $70,000 a year and has a student HELP debt.

By salary packaging $9,010 towards living expenses, John reduces his taxable income and **increases his take home pay by $1,685**. In this example, the student HELP repayment amount that John is required to pay becomes $1,269, which is an increase of $1,198 a year.

This extra amount is covered by the tax saving that John makes by salary packaging, meaning he is effectively paying off his student HELP debt with money he would otherwise be paying to the Australian Taxation Office as tax.

	Without salary packaging	With salary packaging
Gross salary	$70,000	$70,000
Pre-tax living expenses (e.g. rent/mortgage) salary packaged	$0	($9,010)
Tax paid (incl. Medicare)[1]	($12,920)	($10,037)
Student HELP debt repayment[1]	($71)	($1,269)
Living expenses (e.g. rent/mortgage)	($9,010)	$0
Take home pay	$47,999	$49,684
Difference in take home pay	**$0**	**$1,685**

How to get started

1. Talk to your local Smart expert
2. Visit our website to apply: sagov.smart.com.au
3. Provide an ATO 'Withholding Declaration –Upwards Variation' Form to your payroll teamgo

Find out more

sagov.smart.com.au | 1300 175 244

1. FY 2026/27 numbers taken from Australian Taxation Office website.

Benefits of salary packaging with your student HELP debt.

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Frequently asked questions

What government debts are counted as student HELP loans and are impacted by salary packaging?

There are a number of loans available from the Australian Government to help you complete further training and study. These include the Higher Education Loan Program (HELP – formally known as HECS), Student Start-up Loan and ABSTUDY Student Startup Loan scheme, Trade Support Loans program and the Student Financial Supplement Scheme. For more information, visit: https://www.ato.gov.au/Individuals/Study-and-training-support-loans/Types-of-loans.

Why does salary packaging affect your student HELP debt?

Salary packaging could change your Reportable Fringe Benefit Amount, which is used by the Australian Taxation Office when assessing your compulsory HELP debt repayment obligations.

Will I receive a tax bill if I salary package?

Even without salary packaging, there is no guarantee you won't receive a bill at the end of the tax year. However, you could reduce your chances of a shortfall when it comes time to submit your tax return, by managing the amount your payroll department is taking out of your pay for your student HELP debt.

How is it beneficial to me if my loan repayment increases?

When you salary package with a student HELP debt, you could use your tax savings to pay off increased student HELP debt contributions. This means you could pay this debt off faster.

Do I have to make my extra student HELP debt repayments fortnightly?

No. However, you can choose to make your extra student HELP debt contributions fortnightly through your payroll team or as a lump sum at the end of the tax year to the Australian Taxation Office. The total amount paid will be the same. If you would like to pay fortnightly, then you will need to submit a 'Withholding Declaration – Upwards Variation' form from the Australian Taxation Office to your payroll department.

How do I increase my fortnightly loan repayments?

You can make changes to your student HELP debt fortnightly repayments by filling in a 'Withholding Declaration – Upwards Variation' Form from the Australian Taxation Office and providing this to your payroll department.

How much can I earn before I need to make loan repayments?

If your total income, including any Reportable Fringe Benefit Amount, is greater than $69,528 for the current financial year (FY 2026/27), then you will be required to make a student HELP debt repayment.

What salary packaging benefits impact student HELP debts?

Salary packaging living expenses within the $9,010 cap and/or your meal entertainment costs will likely change your HELP repayments. Non-reportable benefits such as novated leases packaged outside the cap (excluding EVs) or laptops, airline lounge memberships, self-education, etc. are unlikely to change your repayments.

What are the student HELP rates for this financial year?

You can find the current rates on the Australian Taxation Office website.

Find out more

sagov.smart.com.au | 1300 175 244

All information presented in this document is correct as at July 2026 and is subject to change. This is general advice only.
The South Australian Government and Smartsalary Pty Ltd strongly recommends that you obtain independent financial advice prior to entering into or changing the terms of a salary packaging arrangement.
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