

Student eligibility for VET Student Loans

This information has been sourced from the VET Student Loans Manual for Providers, version 1.2 – June 2017, pages 37 to page 42.

For more information visit <https://www.education.gov.au/vet-student-loans>

4.7.1 Student eligibility for VET Student Loans

To be eligible for VET Student Loans, a student must:

- be an eligible student (refer below)
- be studying an **approved course** [Act s 7, 10 & Division 3]
- be studying with an **approved course provider**
- apply to the government using the **approved form** and included all relevant information [Act Part 2, Division 4], and
- confirm his or her engagement and progression to continue to access the loan throughout the course.

To be an eligible student, a student must:

- meet the citizenship and residency requirements:
 - be an Australian citizen and their provider reasonably expects they will undertake at least some of the course of study in Australia.
 - , or
 - a qualifying New Zealand citizen or
 - a **permanent humanitarian visa holder**, who is usually resident in Australia.

NOTE: A student is not entitled to a VET student loan if the course is undertaken by the student primarily at an overseas campus [Act s 10(2)]. Similarly, if the student intends on studying overseas via distance education for their entire course, they would not meet the requirement to undertake the course primarily at an Australian campus.

- have a FEE-HELP balance that is more than \$0
- be 18 years of age or older or
 - one of have a parental consent form signed by a responsible parent of the student or
 - the student has received youth allowance on the basis that the student is independent within the meaning of Part 2.11 of the *Social Security Act 1991* (Provider's should receive from the student evidence of this assessment in the form of their Centrelink Income Statement noting this assessment.)
- be enrolled with an approved course provider in an approved course and have enrolled in accordance with the application requirements
- have been assessed by the approved course provider as academically suited to undertake the approved course on the basis of either [Rules s 80]:
 - providing their Australian Year 12 Certificate OR
 - providing evidence of successful completion of an Australian Qualifications Framework Certificate IV or higher qualification (where the language of instruction is English) OR
 - displaying competence at Exit Level 3 in the Australian Core Skills Framework in both reading and numeracy through an approved Language, Literacy and Numeracy test

- In addition, the approved course provider must reasonably believe the student shows competence in completing the course
- meet the Tax File Number (TFN) requirements [\[Act s 17\]](#)
- have a Unique Student Identifier (USI) or be otherwise exempt
- have given the required documents to the approved course provider and submitted the loan application form by the first **census day** no less than **two business** days after enrolling [\[Rules s 10\]](#).

Australian citizenship

If a student gains Australian citizenship part way through their course, the student may be eligible for a VET student loan for a course, or part of a course, yet to be completed, including courses currently enrolled in where the census dates have not passed.

A person gains Australian citizenship only after making the pledge of commitment and being issued with Evidence of Australian Citizenship from the **Department of Immigration and Border Protection**. For further information regarding Australian citizenship, contact the Department of Immigration and Border Protection.

Please refer to '**Determining citizenship and visa status**' below.

Permanent humanitarian visa holders

In determining whether a permanent humanitarian visa holder will be resident in Australia for the duration of their course, the provider must disregard any periods spent outside of Australia if the holder:

- cannot be reasonably regarded as indicating an intention to reside outside of Australia for the duration of the course or
- is required to leave Australia to complete the requirements of that course.

To confirm if the visa class held by a person applying for a VET student loan is a permanent humanitarian visa contact the Department of Immigration and Border Protection website at www.border.gov.au/vevo.

Qualifying New Zealand citizens

A New Zealand citizen is eligible if they hold a Special Category Visa and:

- has usually been resident in Australia for at least 10 years; and
- was a dependent child aged under 18-years of age when he or she first was usually resident in Australia and
- has been in Australia for periods totaling 8 years during the previous 10 years and
- has been in Australian for periods totaling 18 months during the previous 2 years [\[Act s 11\]](#).

Most New Zealand citizens who arrive in Australia are the holders of a temporary visa called a Special Category Visa (SCV). This is not a permanent visa but allows its holder to visit, live and work in Australia indefinitely.

Providers can also find information about HELP eligibility criteria for New Zealand Special Category Visa Holders at www.education.gov.au/faqs-new-zealand-special-category-visa-holders.

Other permanent residents/permanent visa holders are NOT eligible for a VET student loan.

Determining citizenship and visa status

It is the provider's responsibility to ensure students meet the citizenship and residency eligibility for VET Student Loans. The provider must collect and verify this information [\[Rules s 85\]](#).

An Australian Passport is suitable evidence of Australian citizenship. Otherwise, the evidence required to demonstrate that an applicant is an Australian citizen may differ depending on whether the applicant was:

- born overseas
- born in Australia before 20 August 1986
- born in Australia on or after 20 August 1986.

Applicants born overseas and acquired Australian citizenship by application

As a guide, please refer to the relevant category below:

Applicants will need to provide one of the following documents as evidence of their Australian citizenship:

- an Australian passport
- an Australian citizenship certificate
- a Citizenship by Descent extract
- an Adoption in accordance with the Hague Convention on Intercountry Adoption or bilateral arrangement extract

If an applicant does not have one of the above citizenship documents they will need to apply for a replacement certificate by lodging **Form 119 Application for evidence of Australian citizenship** with certified copies of the required documents and the application fee with the Department of Immigration and Border Protection (DIBP).

Applicants born in Australia before 20 August 1986

Applicants may provide their Australian Passport.

Alternatively, applicants will need to provide their full birth certificate issued by an Australian Registry of Births, Deaths and Marriages (RBDM).

An exception to this is where the applicant's parents were in Australia as diplomats or consular officers at the time of the applicant's birth. In these circumstances, the applicant will need to provide a citizenship certificate as evidence that they are an Australian citizen.

If the applicant does not have a citizenship certificate they will need to lodge **Form 119 Application for evidence of Australian citizenship** with certified copies of the required documents and the application fee with DIBP.

Applicant was born in Australia on or after 20 August 1986 and one of their parents was an Australian citizen at the time of their birth

Applicants may provide their Australian Passport.

Alternatively, where one (or both) of the applicant's parents was an Australian citizen at the time of their birth, the applicant will need to provide their full birth certificate issued by an Australian RBDM **and one** of the following documents to show that one of their parents was an Australian citizen at the time of their birth:

- their parent's Australian citizenship certificate or
- if their parent was born in Australia before 20 August 1986, their parents full birth certificate issued by an Australian RBDM or

- if their parent was born in Australia on or after 20 August 1986, their parent's full birth certificate issued by an Australian RBDM and their grandparent's Australian birth certificate issued by an Australian RBDM.

If the applicant cannot provide this they must apply for their own evidence of Australian citizenship by lodging **Form 119 Application for evidence of Australian citizenship** with certified copies of the required documents and the application fee with DIBP.

Applicant was born in Australia on or after 20 August 1986 and one of their parents was a permanent resident of Australia at the time of their birth

Where one (or both) of the applicant's parents was a permanent resident of Australia at the time of their birth, they will need to provide **both** of the following documents to prove their Australian citizenship:

- their full birth certificate issued by an Australian RBDM
- their Australian citizenship certificate.

They can apply for an Australian citizenship certificate by lodging **Form 119 Application for evidence of Australian citizenship** with certified copies of the required documents and the application fee with DIBP.

The following documents are not acceptable as proof of a parent's permanent residency for VET Student Loan applications:

- parent's foreign passport with a visa label
- Visa Entitlement Verification Online (VEVO) printout
- visa grant notification letter
- Certificate of Evidence of Resident Status (CERS)
- Certificate of Status for New Zealand Citizens in Australia (CSNZCA)
- ImmiCard
- Freedom of Information (FOI) letter from the Department of Immigration and Border Protection.

These documents only provide proof of a person's visa status on the day they are issued / printed and are not sufficient proof of a parent's resident status at the time the applicant was born.

Applicant or their parent was born in Papua New Guinea prior to 16 Sep 1975

Papua New Guinea became a sovereign nation on 16 Sep 1975 (PNG Independence Day). Assessing Australian citizenship status of people born in PNG prior to 16 Sep 1975 can be complex. DIBP is aware that in the past this cohort of people has been incorrectly issued with an Australian passport based on an incorrect assessment of their citizenship status. As such, the citizenship status of some applicants born in PNG prior to 16 Sep 1975 must be checked and verified with DIBP.

The applicant should be referred to DIBP to obtain evidence of Australian citizenship by lodging **Form 119 Application for evidence of Australian citizenship** if:

- evidence of citizenship was issued before 1 Jan 2009 and the applicant was born in PNG prior to 16 Sep 1975; or
- citizenship was acquired by descent before 1 Jan 2009 where the parent(s) was born in PNG before 16 Sep 1975.

A citizenship certificate can be accepted as evidence that the applicant is an Australian citizen if the evidence of citizenship was issued on or after 1 Jan 2009 regardless of the acquisition date or date of birth.

Applicants need to take DIBP's application processing times into account before applying for a VET Student Loan.

FEE-HELP limit and balance

There is a set maximum amount a person can borrow over their lifetime for VET Student Loans, VET FEE-HELP and FEE-HELP. This is known as the FEE-HELP limit [[Higher Education Support Act 2003 section 104-20](#)].

Students are able to access VET Student Loans to pay the amount of any tuition fees for a course up to the designated loan cap band, provided the amount does not exceed their FEE-HELP limit. The department publishes the FEE-HELP limit in the student information booklets and on the *Study Assist* website at www.studyassist.gov.au.

As a person uses VET Student Loans, VET FEE-HELP or FEE-HELP to pay their tuition fees, the amount they may borrow in the future is reduced. Once a person has borrowed an amount equal to the FEE-HELP limit, they are no longer eligible for VET Student Loans, VET FEE-HELP or FEE-HELP to pay further tuition fees. This applies even if a person has partially or fully repaid their VET Student Loans, VET FEE-HELP or FEE-HELP debt.

The FEE-HELP limit is indexed on 1 January each year. If a person has reached their FEE-HELP limit in a particular year and wishes to enrol in a subsequent or later years they will be able to access any balance remaining up to the FEE-HELP limit, subject to the remaining loan cap for their course. The FEE-HELP limit is a lifetime limit and is not 'topped up' by making repayments towards a debt.

FEE-HELP balance

A person's FEE-HELP balance is the limit subtracting any VET Student Loans and other HELP loans (VET FEE-HELP and FEE-HELP loans) they have used. Loan fees and indexation of outstanding debts are not included in a person's FEE-HELP balance.

It is the provider's responsibility to ensure a student's entitlement to VET Student Loans, including confirming whether or not the student has accessed a VET student loan for parts of courses or units of study that may not have been reported at the time of enrolment. It is the responsibility of the provider to put in place enrolment procedures to check if a student is likely to exceed their FEE-HELP limit.

If a student enrolls in a part of a course or unit of study and has sufficient loan cap available, where the tuition fee exceeds the FEE-HELP limit, the student will only receive a VET Student Loan equal to the remaining FEE-HELP balance. The provider is responsible for collecting the remaining tuition fee for the part of a course or unit of study.

Example

Betty is a full fee paying student who has a remaining FEE-HELP balance of \$2,000. She enrolls in a course with a loan cap of \$10,000. She enrolls in four units of study with the same census date. The tuition fee for each unit of study is \$600. The total amount of VET Student Loan to which Betty is entitled to for the units is \$2,000, even though the total amount of tuition fees for the units is \$2,400.

Betty would need to pay the balance of \$400 to her provider and will not be able to access further loans until indexation is applied to the FEE-HELP limit (from 1 January of the following year) when she would have a small increase to her FEE-HELP limit based on indexation.

Students enrolled with more than one provider

Where a student does not have enough FEE-HELP balance to cover a part of a course or a unit of study, the department will notify the affected provider via an exception report. The provider is responsible for recovering any outstanding tuition fees from students in line with the provider's own procedures. The Commonwealth will only pay the provider VET Student Loans and/or VET FEE-HELP and FEE-HELP up to the available amount of the student's FEE-HELP balance.

Determining a student's FEE-HELP balance

A commencing student's FEE-HELP balance will be provided at the same time as a student's CHESSN.

A provider can undertake an entitlement search at any time to obtain a student's remaining balance.

See HEIMSHelp – '[A Guide to viewing Student Entitlement Info](#)' for more information on how to check a student's FEE-HELP balance.

NOTES:

1. Student entitlement calculations are undertaken nightly, based on the data reported each day.
2. If the student's 'FEE-HELP assistance' includes liability incurred under VET Student Loans or VET FEE-HELP, the exact amount of their HELP debt will not be accurate until late 2017. Additionally, reported VET Student Loan data may vary after it has been reported due to a retrospective validation process for payment purposes – up to six to eight weeks after reporting, debts passing through the validation process will be sent to the Australian Taxation Office and the debt information will be updated at that time.