




Study loan indexation change

Indexation has now changed for study and training loans.

Last updated 9 December 2024

The [bill](#)  to change the annual indexation for study and training loans has received Royal Assent.

Indexation is now based on either the Consumer Price Index (CPI) or Wage Price Index (WPI) – whichever is lower.

This change is backdated, taking effect from 1 June 2023. The new indexation rates for the two previous years are:

- 3.2% for 2023 year – reduced from 7.1%
- 4% for 2024 – reduced from 4.7%.

If your client's study or training loan is in credit after the adjustment, we will process a refund for the excess amount to your client's nominated bank account – if they have no other outstanding tax or Commonwealth debts.

What you need to do

For most clients, you don't need to do anything. If you have clients with a student loan that was indexed in the last two years, we are currently recrediting the excess indexation amounts to their study or training loan.

If your client's study or training loan account is in credit after the adjustment, this credit will be transferred to the Income Tax account for offsetting (if applicable) and any remaining amount refunded to your client's nominated bank account. Most people will see these credits on their accounts by the end of January. Some credits will take a bit longer than others to show on the accounts depending on the complexity.

If these clients have listed your bank account as their nominated account, you will receive the refund and need to **reconcile that amount**.

We will not know exactly who will receive a refund until we process all recredits, so we are unable to provide a list of your clients who will receive a refund.

Find out more

More information about this change is available on our website at [Study and training loans – what's new](#).

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If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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