

CALCULATION OF STUDENT LOAN REPAYMENTS ON AN INCOME CONTINGENT STUDENT LOAN

Repayments of Income Contingent Student Loans are collected by the Inland Revenue (for new borrowers, from August 1998). If you have an income contingent loan and the Student Loans Company (SLC) has notified you that repayment commenced before 6 April 2003 then you should tick the 'Yes' box on Question 17 of your Tax Return, unless you have been told in writing before 1 January 2004 that your loan was repaid in full.

If you are calculating your tax, use this Help Sheet to work out the Student Loan repayment due and enter the amount, from box 15, in box 18.2A on your Tax Return.

If you are a full-time teacher in England and Wales and have been notified by the SLC that no deductions for student loan repayments will be due as you have been accepted on the Repayment of Teachers Loan scheme you do not need to complete this form. (Do not tick the 'Yes' box on Question 17 of your Tax Return.)

Teachers in Scotland and Northern Ireland need to complete this form to calculate the Student Loan repayment due.

FILLING IN THE WORKING SHEET

box 1 Subtract the total of boxes 1.31 to 1.38 from the total of boxes 1.8, 1.9, 1.10, 1.13, 1.15, 1.23, 1.27, 1.28 and 1.29 on your Employment pages. If you have more than one employment repeat this step for each employment. Enter the total from all employments in box 1.

boxes 2 and 3 Complete both these boxes if you are a part-time teacher in England and Wales and the SLC has notified your employer not to deduct Student Loan repayments whilst you are accepted on the Repayment of Teachers Loan Scheme.

Subtract the total of boxes 1.31 to 1.38 from the total of boxes 1.8, 1.9, 1.10, 1.13, 1.15, 1.23, 1.27, 1.28 and 1.29 of the employment that is accepted on the Repayment of Teachers Loan Scheme. Enter the result in box 2.

Subtract £10,000 from the amount in box 2. Enter the remainder in box 3. (If the amount in box 2 is less than £10,000 enter zero ('0') in box 3.)

If your employer has not been notified that your part-time employment has been accepted on the Repayment of Teachers Loan scheme ignore box 2 and enter zero ('0') in box 3.

box 4 Subtract the figure in box 3 from the figure in box 1 and put the result in box 4.

box 5 Copy figures from your Tax Return to complete the column of boxes below box 4. Total this column (including box 4) and put the result in box 5. This is your earned income for the purpose of Student Loan repayments.

box 6 Copy figures from your Tax Return to complete the column of boxes above box 6. Total this column and put the result in box 6. This is your unearned income for the purpose of Student Loan repayments.

box 8 If your unearned income, in box 6, is more than £2,000 enter it in box 8. Otherwise enter zero ('0') in box 8.

box 9 Add together the figures in boxes 5 and 8 and put the result in box 9. This is your total income for the purpose of Student Loan repayments.

box 10 Copy figures from your Tax Return to complete the column of 4 boxes above box 10. Total this column and put the result in box 10.

box 11 Subtract your Student Loan deductions, in box 10, from your total income, in box 9, and enter the result in box 11. This is your net income for Student Loan purposes.

box 12 Subtract the Student Loan threshold (£10,000) from your net income, in box 11, and enter the result in box 12.

box 13 Multiply your net income, in box 12, by 9% and enter the result in box 13.

box 14 Add together all the Student Loan repayments made through PAYE (boxes 1.39 and 1M.52 from your Tax Return) and enter the result in box 14.

box 15 Subtract the amount in box 14 from the amount in box 13, and enter the result in box 15.

If the amount in box 14 is greater than the amount in box 13 enter zero ('0') in box 15.

Copy the figure in box 15 to box 18.2A on your Tax Return

This Working Sheet will take you through all the necessary steps to work out your Student Loan repayments. Complete all the boxes that apply to you.

Boxes on the working sheet:

14
£

Entries in boxes printed in blue are copied directly from your Tax Return

8
£

Entries in boxes printed in grey are part of the calculation process

copy box 15 to box 18.2A on your Tax Return

Instructions printed in green ask you to copy a figure back onto the Return

Working Sheet for calculating Student Loan repayments

CALCULATION HELP

If any box on this page results in a minus amount, substitute zero (0).

total of boxes 1.8 to 1.10, 1.13, 1.15, 1.23, 1.27, 1.28 and 1.29
minus total of boxes 1.31 to 1.38

1
Total employment income £

CALCULATION HELP

Complete boxes 2 and 3 if you are a part-time teacher in England and Wales and the Student Loan Company has notified your employer not to deduct Student Loan repayments whilst you are accepted on the Repayment of Teachers Loan Scheme. Otherwise, ignore box 2 and enter zero ('0') in box 3.

If box 2 is greater than £10,000, enter in box 3 the figure in box 2 *minus* £10,000, otherwise enter zero ('0') in box 3.

If your employer has not been notified that your part-time employment has been accepted on the Repayment of Teachers Loan scheme ignore box 2 and enter zero ('0') in box 3.

total of boxes 1.8 to 1.10, 1.13, 1.15, 1.23, 1.27, 1.28 and 1.29
minus total of boxes 1.31 to 1.38

2
Eligible income under the Repayment of Teachers Loan Scheme £

box 2 *minus* £10,000

3
£

Working Sheet for calculating Student Loan repayments - continued

Split your income into two categories; earned income and unearned income.

Earned income for Student Loan purposes		Unearned income for Student Loan purposes	
	box 1 minus box 3		
	4		
Employment income	£ <input type="text"/>		
Ministers of religion	box 1M.51 + box 1M.21 minus (1M.8 + 1M.22) £ <input type="text"/>		
		Share schemes	from box 2.42 £ <input type="text"/>
Self-employment	from box 3.92 £ <input type="text"/>		
Lloyd's underwriters	from box 3L.91 £ <input type="text"/>		
Partnership income	from box 4.73 £ <input type="text"/>		boxes 4.35 + 4.70 + 4.70A £ <input type="text"/>
UK land and property	from box 5.14 £ <input type="text"/>		box 5.43 minus box 5.14 £ <input type="text"/>
		Foreign income	boxes 6.1 + 6.2 + 6.4 + 6.4A + 6.5 + 6.8 £ <input type="text"/>
		Trust and estates	total of all figures in the right hand column on Page T1 £ <input type="text"/>
		UK savings and investments	total of all figures in the right hand column of Question 10 £ <input type="text"/>
Pensions and benefit payments	from box 11.7 £ <input type="text"/>		boxes 11.1 to 11.6 + (box 11.12 minus box 11.13) £ <input type="text"/>
		Gains on UK life policies	boxes 12.2 + 12.5 + 12.8 + 12.12 £ <input type="text"/>
		Other income	box 13.3 minus box 13.5 £ <input type="text"/>
	total of column above		total of column above
	5		6
	£ <input type="text"/>		£ <input type="text"/>

Working Sheet for calculating Student Loan repayments - continued

Unearned income threshold 7
 £

CALCULATION HELP

If the figure in box 6 is greater than the figure in box 7, enter in the figure from box 6 in box 8. If the figure in box 6 is less than, or equal to, box 7, enter zero ('0') in box 8.

£

box 5 + box 8
 Total income for Student Loan purposes 9
 £

From your total income, for Student Loan purposes, you can take off certain deductions and a threshold of £10,000 - the balance is charged at 9%.

Self-employment, Lloyd's Underwriters and Partnerships box 3.85 + box 3L.85 + box 4.15
 £

CALCULATION HELP

If any box on this page results in a minus amount, substitute zero (0).

Land and property from boxes 5.16 and 5.44
 £

Post-cessation expenses and losses from Question 15 from box 15.8
 £

Pension contributions boxes 14.5 + 14.9 + 14.10 + 14.11
 £

total of column above
10
 £

Net income on which Student Loan repayments are due box 9 minus box 10
 £

CALCULATION HELP

If the figure in box 12 is greater than the amount outstanding on your student loan account, you should contact your Inland Revenue office. You should still copy the figure in box 15 to box 18.2A on your Tax Return.

box 11 minus £10,000
12
 £

Student Loan repayment due box 12 x 9%
13
 £

CALCULATION HELP

If the figure in box 14 is greater than the figure in box 13, enter zero ('0') in box 15.

PAYE Student Loan repayments made box 1.39 + box 1M.52
14
 £

Net Student Loan repayments due box 13 minus box 14
15
 £
copy box 15 to box 18.2A on your Tax Return

These notes are for guidance only, and reflect the position at the time of writing. They do not affect any rights of appeal.