

## Repaying your Postgraduate Loan 2016/17

[www.gov.uk/postgraduateloaan](http://www.gov.uk/postgraduateloaan)

### Facts about repaying your loan

Repayments are based on your income, not what you borrowed.

Interest is charged at the Retail Price Index (RPI) plus 3% from the day we make your first payment until your Postgraduate Loan is repaid in full or written off.

You can make a voluntary repayment towards your Postgraduate Loan at any time.

If you're planning to work or travel abroad for more than three months after you finish or leave your course, you must let us know.

Student Finance England is a service provided by the Student Loans Company (SLC).

We provide financial support on behalf of the UK Government, through Student Finance England. When the time comes to repay your Postgraduate Loan, you'll make repayments to SLC.

### How do I repay my Postgraduate Loan?

#### 1. Finish or leave your course

No repayments towards Postgraduate Loans will be taken before April 2019 and only then when your income is over the current threshold of £404 a week, £1,750 a month or £21,000 a year.

#### 2. Your employer takes repayments

If you're employed your employer will take repayments directly from your salary along with tax and National Insurance. If you stop working or your income falls below £21,000 a year your repayments will stop until you're earning over the threshold again.

If you're self-employed HM Revenue and Customs (HMRC) will tell you how much you need to repay after you've completed your Self Assessment tax return.

#### 3. HMRC let us know how much you've repaid

After the end of the tax year HMRC let us know how much you've repaid and we'll send you a statement. They'll let your employer know when to stop taking repayments.

Any loan remaining 30 years after you're due to start making repayments will be written off.

## How are my repayments calculated?

You'll repay 6% of your income over the current threshold (£404 a week, £1,750 a month or £21,000 a year) towards your Postgraduate Loan.

So if you're paid monthly and earn £2,500 a month before tax you'll repay 6% of the difference between what you earn and the monthly threshold (£1,750):

$$£2,500 - £1,750 = £750$$

$$6\% \text{ of } £750 = £45$$

So your Postgraduate Loan repayment would be £45 that month.

A repayment will be taken even if you don't earn £21,000 in a year but exceed the weekly or monthly threshold at any time, for example if you work overtime or get a bonus.

## What happens if I already have a student loan?

A Postgraduate Loan won't affect the repayment of any other student loans you have for your undergraduate course. If you've had any other loans from SLC you'll also repay these at the same time.

How much you repay towards the student loans you already have for your undergraduate course will depend on when you studied.

## If you started your undergraduate course on or after 1 September 2012 – Plan 2

You'll repay 9% of your income over £21,000 towards the student loans you took for your undergraduate course and 6% of your income over £21,000 towards your Postgraduate Loan. This means you'll repay 15% of your income over £21,000 in total.

Income each year (before tax)	Monthly salary	Undergraduate loan repayment	Postgraduate Loan repayment
£21,000	£1,750	£0	£0
£25,000	£2,083	£30	£20
£30,000	£2,500	£67	£45
£35,000	£2,916	£105	£70
£40,000	£3,333	£142	£95
£45,000	£3,750	£180	£120

## If you started your undergraduate course between 1 September 1998 and 1 September 2012 – Plan 1

You'll repay 9% of your income over £17,495 towards the student loan you took for your undergraduate course and 6% of your income over £21,000 towards your Postgraduate Loan.

Income each year (before tax)	Monthly salary	Undergraduate loan repayment	Postgraduate Loan repayment
£17,495	£1,458	£0	£0
£21,000	£1,750	£26	£0
£25,000	£2,083	£56	£20
£30,000	£2,500	£93	£45
£35,000	£2,916	£131	£70
£40,000	£3,333	£168	£95
£45,000	£3,750	£206	£120

## If you started your course before 1 September 1998

You'll continue to repay or defer these loans and you'll repay 6% of your income over £21,000 towards your Postgraduate Loan. You can't defer your Postgraduate Loan, repayments will stop automatically if your income is below the threshold.

Income each year (before tax)	Monthly salary	Postgraduate Loan repayment
£21,000	£1,750	£0
£25,000	£2,083	£20
£30,000	£2,500	£45
£35,000	£2,916	£70
£40,000	£3,333	£95
£45,000	£3,750	£120

All Postgraduate Loan policy is subject to Parliamentary approval.

For more information on repaying student loans from an undergraduate course go to [www.studentloanrepayment.co.uk](http://www.studentloanrepayment.co.uk)

For more information about Postgraduate Loans, including information about repaying your Postgraduate Loan, visit SFE's dedicated student finance zone on The Student Room at [www.thestudentroom.co.uk/studentfinance](http://www.thestudentroom.co.uk/studentfinance)