

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 ADDITIONAL ESTIMATES HEARING

**Outcome:** 2  
**Output Group:** 2.4 - Funding for Higher Education

#### DEST Question No. E800\_07

Senator Carr provided in writing.

#### Question:

Assessable income for scholarships

1. How many people currently receive higher education scholarships?
2. Of those, how many (number and proportion of total) scholarships are assessable for income tax purposes?
3. How many (number and proportion of total) are not assessable for income tax purposes?
4. Has the Department calculated how much tax is paid on those scholarships?
5. Has the Department examined or undertaken any calculations for making all higher education scholarships non-assessable for income tax purposes?

#### Answer:

*Assessable income for scholarships*

1. According to the latest 2005 data collected from higher education providers, people in receipt of a scholarship funded through DEST administered programmes are listed below:

Australian Postgraduate Award	5,411
Endeavour International Postgraduate Research Scholarship	1,078
Commonwealth Education Costs Scholarship	7,092
Commonwealth Accommodation Scholarship	6,034
Indigenous Staff Scholarship	4

- 2-3 In the case of scholarships funded through DEST administered programmes:

- Generally, scholarships to full-time students for educational purposes are not taxable. However, decisions about whether a particular scholarship or type of scholarship is assessable for income tax purposes are a matter for the Australian Taxation Office. This is relevant for Australian Postgraduate Awards, Commonwealth Education Costs Scholarships and Commonwealth Accommodation Costs Scholarships.
- Funding under the Endeavour International Postgraduate Research Scholarships (EIPRS) programme is not paid to individuals. It is grant money paid by the Department direct to universities to provide services to students and is not taxable in the hands of the student.
- The Indigenous Staff Scholarships are non-taxable and are therefore not assessed as income.

4. No.

5. No.