

How Centrelink treat Scholarships

Information on the income test treatment of scholarships is available from **Section 4.3.9.40** of the Guide to Social Security Law.

Direct payment of tuition fees:	Explanation:	Treatment of scholarship
A payment made to the Commonwealth for payment of tuition fees for an approved course of education or study is not assessed as income.	Where a student cannot access the scholarship as cash in hand, that is, the student has no discretion on how the scholarship is used, and the payment is not made at the direction of the student, the amount of the scholarship that is payment of tuition fees or course charges is not treated as income.	Not treated as income.
Fee exempt scholarships		Treatment of scholarship
A scholarship offered by a higher education provider that fully exempts a student from fees and/or contribution amounts is not assessed as income.		Not treated as income.
Waiver of fee	Explanation:	Treatment of scholarship
The amount of a scholarship that waives a tuition fee or a course charge either partly or in full is not assessed as income.	Non-discretionary scholarships that waive or pay a student's tuition fee or course charge are exempt from the social security income test. This exemption applies to all non-discretionary fee waiver and fee pay scholarships in all 3 education sectors: higher education, vocational education and training, and secondary; irrespective of the source of funding.	Not treated as income.
	Explanation:	Treatment of scholarship
Scholarships that are paid directly to a student are generally assessed as income or 'valuable consideration'	Where a student can access the scholarship as cash in hand, that is, the student has discretion on how the scholarship is used, the amount of the scholarship is treated as income.	Treated as income. The value must be declared. Exception: Commonwealth Learning Scholarships