



# Family Assistance Office *Guide to Payments*

EFFECTIVE FROM 1 JULY 2010 TO 19 SEPTEMBER 2010

## Family Assistance Office

The Family Assistance Office was created by the Australian Government to give Australian families better access to government services. Family Assistance Offices are located in Medicare offices and Centrelink Customer Service Centres across the country, offering a range of payments to support families with work and family responsibilities.

## Family Tax Benefit Part A

Family Tax Benefit Part A assists families with the cost of raising children and is paid per child.

### Basic conditions of eligibility

Family Tax Benefit Part A can be paid to a parent, guardian, carer (including foster carer), eligible grandparent or approved care organisation.

To be eligible for Family Tax Benefit Part A you must:

- have a dependent child aged under 16, **or**
- have a dependent child aged 16–20 years who has completed a Year 12 or equivalent qualification, or who is undertaking full-time education or training leading to a Year 12 or equivalent qualification, or who is exempt\*, **or**
- have a dependent full-time student aged 21 to 24, **and**
- have care of the child for 35 per cent of the time\*\*, **and**
- meet residential requirements, **and**
- have income under a certain amount (amount varies depending on number and age of children).

A child or student cannot be a dependant if they are:

- receiving a pension or benefit (such as Youth Allowance) or a labour market program payment, **or**
- aged 5 to 15, not studying full-time and their annual income is \$13 010 or more, **or**
- aged 16 to 24 and their annual income is \$13 010 or more or they are receiving a prescribed education scheme payment such as ABSTUDY.

\*Your child may be exempted from these requirements under certain circumstances if the child is unable to participate in full-time education or training. Please contact the Family Assistance Office for more information.

\*\*If you care for a child between 14 per cent and less than 35 per cent of the time you may not be eligible for Family Tax Benefit payments, but you may be eligible to receive Rent Assistance, a Health Care Card, Remote Area Allowance, Child Care Benefit, Child Care Rebate and/or the lower threshold of the Medicare Safety Net.

**Note:** for each year you claim Family Tax Benefit, you and/or your partner must either lodge an income tax return, or tell the Family Assistance Office you are not required to lodge an income tax return. If you fail to do so, any Family Tax Benefit you have received in that year will have to be repaid. In addition, you may no longer receive your Family Tax Benefit as a fortnightly payment if you and/or your partner have any outstanding income tax returns for any year in which you received the Family Tax Benefit.

### Residential requirements

You must have legal residence status and be residing in Australia on a permanent basis, that is, Australia is your home. You may be able to claim or continue to receive a payment during a temporary absence from Australia.

To have legal residence status for the purposes of Family Assistance payments you must be:

- an Australian citizen, **or**
- the holder of a permanent visa, **or**
- a New Zealand citizen who arrived on a New Zealand passport, **or**
- the holder of certain temporary visas (to find out the temporary visa subclasses that may qualify, please contact the Family Assistance Office).

In deciding whether you are residing in Australia, the Family Assistance Office may need to look at the nature of your accommodation, the nature and extent of family relationships in Australia, the nature and extent of employment, business or financial ties with Australia, the frequency and duration of travel outside Australia and any other relevant matters.

- Your child must meet the above requirements or must be living with you.
- The base rate of Family Tax Benefit Part A can continue to be paid for up to three years of a temporary absence from Australia.
- More than the base rate of Family Tax Benefit Part A can only be paid for up to 13 weeks of a temporary absence from Australia. The length of your last return to Australia may affect your entitlement whilst overseas.

**Note:** you should advise the Family Assistance Office any time you leave Australia, even for periods less than 13 weeks. Your Family Tax Benefit may be stopped if you leave Australia without notifying the Family Assistance Office.

## Rates of payment and income limits

The amount of Family Tax Benefit Part A you can get will depend on:

- your family's income over the financial year
- the ages and number of children you have
- your level of care
- whether your children were a multiple birth
- whether you pay private rent
- whether you (and/or your partner) receive child support.

Depending on your individual circumstances, your family income may be \$45 114 a year before your payment is reduced.

See 'Estimating family income' on page 8 to find out what is counted as income.

If you get an income support payment from Centrelink (e.g. Parenting Payment, Newstart Allowance) or the Department of Veterans' Affairs (e.g. DVA Service Pension), you will automatically be entitled to the maximum rate of Family Tax Benefit Part A (see Table 1 below). However, you still need to lodge a claim for Family Tax Benefit.

If you are already getting Family Tax Benefit and claim an income support payment from Centrelink, we will automatically adjust your Family Tax Benefit Part A.

### Family Tax Benefit Part A Supplement

Family Tax Benefit Part A includes a supplement of up to \$726.35, which is paid for each child after the end of the financial year when your payments are reconciled. This will happen after you and/or your partner have lodged your tax returns (if you and/or your partner are not required to lodge a tax return you must tell the Family Assistance Office). The supplement may be used to top-up your entitlement or offset an overpayment. The supplement cannot be paid fortnightly.

**Note:** you will not be entitled to receive the Family Tax Benefit Part A supplement if you and/or your partner fail to lodge your income tax returns, or inform the Family Assistance Office you are not required to lodge, within two years after the financial year in which you received your payments.

| For each dependent child                    | Payment per fortnight | Payment per year | Payment per year with supplement |
|---|-----------------------|------------------|----------------------------------|
| Under 13 years                              | \$160.30              | \$4179.25        | \$4905.60                        |
| 13-15 years                                 | \$208.46              | \$5434.85        | \$6161.20                        |
| 16-17 years                                 | \$51.24               | \$1335.90        | \$2062.25                        |
| 18-24 years                                 | \$68.74               | \$1792.15        | \$2518.50                        |
| In an approved care organisation 0-24 years | \$51.24               | \$1335.90        | N/A                              |

**Note:** any child support payments that you or your partner get for your children are not counted as family income but may affect the amount of Family Tax Benefit you are paid. See 'Maintenance income test for Family Tax Benefit Part A' on page 3.

### For part rate of Family Tax Benefit Part A

Generally, if your income is above \$45 114 a year, your payment will reduce by 20 cents for each dollar above \$45 114 until your payment reaches the base rate of Family Tax Benefit Part A (see Tables 2 and 3 below).

| No. of children 0-12 yrs | No. of children 13-15 years |           |           |           |
|--------------------------|-----------------------------|-----------|-----------|-----------|
|                          | Nil                         | One       | Two       | Three     |
| Nil                      |                             | \$65 609  | \$86 104  | \$106 599 |
| One                      | \$59 331                    | \$79 826  | \$100 321 | \$120 815 |
| Two                      | \$73 548                    | \$94 043  | \$114 537 | \$135 032 |
| Three                    | \$87 765                    | \$108 259 | \$128 754 | \$149 249 |

**Note:** depending on your circumstances (e.g. if you are eligible for Rent Assistance), the income limit may be different than stated. You should contact the Family Assistance Office for a more accurate assessment.

| For each dependent child | Payment per fortnight | Payment per year | Payment per year with supplement |
|--------------------------|-----------------------|------------------|----------------------------------|
| Under 18 years           | \$51.24               | \$1335.90        | \$2062.25                        |
| 18-24 years              | \$68.74               | \$1792.15        | \$2518.50                        |

The amount of Family Tax Benefit Part A will then reduce by 30 cents for every dollar of income over \$94 316 a year (plus \$3796 a year for each Family Tax Benefit child after the first) until your actual annual family income reaches the income limit (see Table 4 below).

### Income limit at which Family Tax Benefit Part A paid fortnightly may stop

| No. of children 0-17 years | No. of children 18-24 years |           |           |           |
|----------------------------|-----------------------------|-----------|-----------|-----------|
|                            | Nil                         | One       | Two       | Three     |
| Nil                        |                             | \$100 290 | \$110 060 | \$120 791 |
| One                        | \$98 769                    | \$108 539 | \$119 270 | \$130 001 |
| Two                        | \$107 018                   | \$117 749 | \$128 480 | \$139 211 |
| Three                      | \$116 229                   | \$126 960 | \$137 691 | \$148 422 |

**Note:** depending on your circumstances (e.g. if you are eligible for Rent Assistance), the income limit may be different than stated. You should contact the Family Assistance Office for a more accurate assessment.

### Income limit at which Family Tax Benefit Part A including the supplement may not be paid

| No. of children 0-17 years | No. of children 18-24 years |           |           |           |
|----------------------------|-----------------------------|-----------|-----------|-----------|
|                            | Nil                         | One       | Two       | Three     |
| Nil                        |                             | \$102 711 | \$114 902 | \$128 055 |
| One                        | \$101 191                   | \$113 382 | \$126 534 | \$139 686 |
| Two                        | \$111 861                   | \$125 013 | \$138 165 | \$151 317 |
| Three                      | \$123 492                   | \$136 644 | \$149 796 | \$162 949 |

**Note:** depending on your circumstances (e.g. if you are eligible for Rent Assistance), the income limit may be different than stated. You should contact the Family Assistance Office for a more accurate assessment.

If your estimate of annual family income is higher than the income limit for fortnightly payments but lower than the income limit for payment including the supplement, you may be entitled to some Family Tax Benefit Part A after the end of the financial year. You should lodge a lump sum claim when your actual annual family income is known.

**Note:** Lump sum claims must be made within two years of the end of the financial year for which you are claiming. For example, lump sum claims for the 2010–11 financial year must be lodged by 30 June 2013.

## Family Tax Benefit Part A payments are based on your family’s income over the entire financial year

How much payment you are entitled to depends on your actual annual family income.

To get the most assistance to families that need it most, there is a maximum rate of benefit for those on a low income and a base rate for families on a moderate income.

There is also an upper income limit above which you are not entitled to receive any Family Tax Benefit Part A because your family’s income is too high.

Families who do not provide their own estimate of income will have their most recent estimate or actual annual family income indexed in line with increases in average weekly earnings.

Families may provide a new reasonable estimate of their income if they disagree with the one provided by the Family Assistance Office or if their income changes.

**Note:** if you and/or your partner are not required to lodge a tax return you should tell the Family Assistance Office.

## Maintenance income test for Family Tax Benefit Part A

To receive more than the base rate of Family Tax Benefit Part A for children of a previous relationship, you must take reasonable action to obtain child support. Parents who have children from a previous same-sex relationship can apply for child support. You should contact the Family Assistance Office for advice on your individual situation if you are unsure about meeting this requirement. Blind pensioners are exempt from this requirement.

If you receive more than the base rate of Family Tax Benefit Part A, child support received above the maintenance income free area will reduce Family Tax Benefit Part A by 50 cents in the dollar, until the base rate of Family Tax Benefit Part A is reached. Child support received for a child only affects Family Tax Benefit paid for that child.

The following table can be used to help you work out your maintenance income-free area.

| <b>Table 6: This table shows the maintenance income-free areas for Family Tax Benefit Part A</b> |                                  |
|--|----------------------------------|
| <i>Family situation</i>  | <i>Income-free amount (\$pa)</i> |
| Single parent, or one of a couple receiving child support  | \$1368.75                        |
| Couple, each receiving child support   | \$2737.50                        |
| For each additional child  | \$456.25                         |

## Maintenance Income Credit

This credit ensures that you are not disadvantaged because child support was not paid to you when it was due. It allows you to access the child support income-free area that you would have used if your child support had been paid on time. When you or your partner receive arrears of child support income, the Maintenance Income Credit balance is drawn upon to reduce the amount of arrears to be counted under the maintenance income test.

To accrue a Maintenance Income Credit, you must be eligible for Family Tax Benefit and be entitled to child support income that is registered for collection by the Child Support Agency.

The Maintenance Income Credit is available at the end of the year when your payment is balanced or when you claim your lump sum payment of Family Tax Benefit. It will ensure that you are paid the same amount of Family Tax Benefit as you would if you received regular child support payments.

## Family Tax Benefit Part A may also include:

### Large Family Supplement

- Paid for the third and each subsequent child.
- \$11.06 per fortnight, \$288.35 per annum.

### Multiple Birth Allowance

- Paid to a parent or guardian who has three or more children born during the same birth.
  - Triplets \$133.00 per fortnight, \$3467.50 per annum.
  - Quadruplets or more \$177.24 per fortnight, \$4620.90 per annum.
- Payment stops either when children turn 16 years of age, or if at least three of the children are in full-time study, at the end of the calendar year in which they turn 18 years of age.

### Other payments

If you receive Family Tax Benefit Part A you may be eligible for other payments delivered by Centrelink. These include:

- Parenting Payment
- Double Orphan Pension
- Carer Allowance.

For further information, contact your nearest Centrelink office or visit the website [www.centrelink.gov.au](http://www.centrelink.gov.au)

If you receive Family Tax Benefit Part A you may be eligible for the Education Tax Refund. For further information, contact the Australian Tax Office on **13 28 61** or visit [www.educationtaxrefund.gov.au](http://www.educationtaxrefund.gov.au).

If you receive Family Tax Benefit Part A you may be eligible for the Teen Dental Scheme. For further information, contact Medicare Australia on **1300 133 070**.

### Rent Assistance

- May be paid to Family Tax Benefit Part A customers who are receiving more than the base rate and paying private rent.
- Normally paid with fortnightly instalments of Family Tax Benefit Part A. If you pay private rent you can choose to receive any Rent Assistance you are entitled to either as a fortnightly payment or after the end of the financial year.
- The rate you receive will depend on how much rent you are paying, your family circumstances and, in some cases, the amount of income and child support you receive.
- If you provide care for less than 35 per cent of the time, you will not be eligible for Family Tax Benefit Part A. However, if you provide care between 14 and less than 35 per cent of the time, you may still be eligible for the Rent Assistance component of Family Tax Benefit Part A, provided you pay private rent.

**Table 7: This table shows the Rent Assistance rates that may apply to Family Tax Benefit Part A. (Apply from 20 March to 19 September 2010.)**

| Family situation   | Maximum payment per fortnight | No payment if your fortnightly rent is less than | Maximum payment if your fortnightly rent is more than |
|--|-------------------------------|--|---|
| Single, 1 or 2 children  | \$133.28                      | \$132.86   | \$310.57  |
| Single, 3 or more children   | \$150.64                      | \$132.86   | \$333.71  |
| Couple, 1 or 2 children  | \$133.28                      | \$196.56   | \$374.27  |
| Couple, 3 or more children   | \$150.64                      | \$196.56   | \$397.41  |
| Temporarily separated couple; 1-2 children; Partner in prison, illness separated couple, respite care couple       | \$133.28                      | \$132.86   | \$310.57  |
| Temporarily separated couple; 3 or more children; Partner in prison, illness separated couple, respite care couple | \$150.64                      | \$132.86   | \$333.71  |

## Family Tax Benefit Part B

Family Tax Benefit Part B gives extra assistance to single parent families and to families with one main income where one parent chooses to stay at home or balance some paid work with caring for their children.

### Basic conditions of eligibility

- To be eligible for Family Tax Benefit Part B you and/or your partner must:
  - have a dependent child aged under 16, **or**
  - have a qualifying dependent full-time student up to the age of 18 (who doesn't get Youth Allowance or a similar payment), **and**
  - have care 35% of the time, **and**
  - meet residential requirements, **and**
  - have income under a certain amount.

**Note:** for each year you claim Family Tax Benefit, you and/or your partner must either lodge an income tax return, or tell the Family Assistance Office you are not required to lodge an income tax return. If you fail to do so any Family Tax Benefit you have received in that year will have to be repaid. In addition, you may no longer receive your Family Tax Benefit as a fortnightly payment if you and/or your partner have any outstanding income tax returns for any year in which you received the Family Tax Benefit.

### Residential requirements

- The same as for Family Tax Benefit Part A (refer to page 1), with the exception that Family Tax Benefit Part B can only be paid for up to 13 weeks of a temporary absence from Australia.

### Rates of payment and income limits

The rate of Family Tax Benefit Part B is based on the age of the youngest Family Tax Benefit child and is paid per eligible family.

Family Tax Benefit Part B is payable to families where the higher income earner in a couple, or a single parent, has an income of \$150 000 per annum or less. However, if you get an income support payment from Centrelink (e.g. Parenting Payment, Newstart Allowance) or the Department of Veterans' Affairs (e.g. DVA Service Pension), this income limit will not apply.

Eligible single parent families may also receive the maximum rate of Family Tax Benefit Part B.

Eligible two parent (couple) families where the higher earner has an income of \$150 000 or less may receive up to the maximum rate, subject to the lower earner income test (see 'Additional income test for couple families' below).

### Family Tax Benefit Part B Supplement

Family Tax Benefit Part B includes a supplement of up to \$354.05 per eligible family. The supplement is only available after the end of the financial year when your payments and adjusted taxable income are reconciled. This will happen after you and/or your partner have lodged your tax returns (if you and/or your partner are not required to lodge a tax return, you should tell the Family Assistance Office).

**Note:** you will not be entitled to receive the Family Tax Benefit Part B supplement if you and/or your partner fail to lodge your income tax returns, or inform the Family Assistance Office you are not required to lodge, within two years after the financial year in which you received your payments.

**Table 8: This table shows the maximum rate of Family Tax Benefit Part B**

| Age of youngest child                              | Per fortnight | Per year  | Per year with supplement |
|--|---------------|-----------|--------------------------|
| Under 5 years                                      | \$136.36      | \$3555.10 | \$3909.15                |
| 5-15 years (or 16-18 years if a full-time student) | \$95.06       | \$2478.35 | \$2832.40                |

### Additional income test for couple families

For eligible two parent (couple) families, the income of the lower earner determines how much Family Tax Benefit Part B the family will receive. The lower earner can have income up to \$4745 each financial year and still receive the maximum rate of payment. Family Tax Benefit Part B payments are reduced by 20 cents for each dollar of income earned over \$4745.

Couple families can still receive some Family Tax Benefit Part B if the higher income earner's income is below this limit, and if:

- their youngest child is aged under five years and the lower earner has income less than \$24 291 per annum, **or**
  - their youngest child is aged between five and 18 years and the lower earner has income less than \$18 907 per annum.
- Eligible single parents who have income of \$150 000 per annum or less receive the maximum amount of Family Tax Benefit Part B.

**Table 9: This table shows the income limits of the lower income earner in an eligible two parent family, at which Family Tax Benefit Part B cannot be paid**

| If the youngest child is: | Income limit for fortnightly payments | Income limit for fortnightly payments with supplement |
|---------------------------|---------------------------------------|---|
| Under 5 years             | \$22 521                              | \$24 291  |
| 5-18* years               | \$17 137                              | \$18 907  |

\*Family Tax Benefit Part B will cease when your youngest dependant turns 16 years of age if he or she is not a full-time student.

## Parents returning to work

Eligible parents who are the lower earner in a couple and commence paid work or return to paid work part-way through a financial year, for the first time after the birth of a child or after caring for a child who has come into their care, may be entitled to the maximum rate of Family Tax Benefit Part B for the period of the financial year before they commence or return to paid work. The lower income earner can only receive this benefit for a period during which they did not earn any employment income (including paid leave). Eligibility for this assistance will be calculated after the end of the financial year when Family Tax Benefit payments are reconciled. To receive this assistance, if you are receiving fortnightly instalments of Family Tax Benefit, you must notify the Family Assistance Office of your return to work no later than 30 June of the financial year following the one in which you returned to work. If you are claiming Family Tax Benefit as a lump sum, you must notify the Family Assistance Office of your return to work when you lodge your claim (you have two years after the end of the financial year for which you are seeking payment to lodge your lump sum claim for Family Tax Benefit).

## Payment options for Family Tax Benefit

You can choose to get your Family Tax Benefit paid fortnightly into your bank, credit union, or building society account, paid as a lump sum after the end of the financial year; or in some cases paid as a combination of fortnightly instalments and an annual lump sum.

If you get your Family Tax Benefit paid fortnightly, there are a number of choices for how and when you can get your payments. All families are different so these choices have been designed to provide flexibility to help you match your payments to your family's circumstances and to reduce the risk of being overpaid.

If you are overpaid, you will be required to repay any Family Tax Benefit you should not have been paid. For more information on your payment options, contact the Family Assistance Office on **13 6150**.

**Note:** the option of claiming and receiving annual lump sum payments from the Australian Taxation Office ceased on 1 July 2009.

## Baby Bonus

Baby Bonus assists with the costs associated with a newborn or the adoption of a child.

If you are the parents of a newborn child, you are required to apply to formally register the birth of your child with the Births, Deaths and Marriages Registry in your state or territory as a condition of receiving Baby Bonus. This requirement does not apply to parents whose child is stillborn, adopted or born outside Australia.

Baby Bonus can also be paid if you have a stillborn child or a child who dies shortly after being born.

The Baby Bonus tax offset, available through the tax system for children born between 1 July 2001 and 30 June 2004 can continue to be claimed until 30 June 2014.

## Basic conditions of eligibility

- Paid to families following the birth (including stillbirth) or adoption of a child, where the eligibility requirements for Family Tax Benefit for the child (disregarding the income test) is met within 26 weeks of the child's birth, or in the case of adoption, within 26 weeks of the child being entrusted into your care. This includes meeting the residency requirements outlined under 'Residential requirements' on page 1.
- Payable to:
  - a parent of the baby, **or**
  - families who have care of a newborn child within 26 weeks of the child's birth, and are likely to continue to have care of the child for no less than 26 weeks, **or**
  - families who have a child entrusted to their care for adoption before the child is 16 years of age.
- The claim must be made within 52 weeks of the child's birth, or in the case of adoption, within 52 weeks of the child coming into a person's care.
- Baby Bonus is an income tested payment.

## Basic rates and method of payment

- The payment is \$5294 per eligible child and is paid in 13 instalments of \$407.23 per fortnight to families whose estimate of combined adjusted family income is \$75 000 or less in the six months following the birth of a child or the child's entry into care.

**Note:** components of adjusted taxable income are outlined under 'Estimating family income' on page 9.

## Maternity Immunisation Allowance

Maternity Immunisation Allowance is a non-income tested payment to encourage parents to fully immunise the children in their care.

## Basic conditions of eligibility

From 1 January 2009 Maternity Immunisation Allowance is generally paid as two separate amounts.

- The first amount will be paid if your child is fully immunised between 18 and 24 months of age.
- The second amount will be paid if your child is fully immunised between four and five years of age.
- If you did not claim Baby Bonus for your child, claims for Maternity Immunisation Allowance must be lodged on or before your child's second or fifth birthdays, depending on whether you are claiming the first or second amount of Maternity Immunisation Allowance.
- Maternity Immunisation Allowance may be paid if an approved immunisation exemption has been obtained for the child.

**Note:** you can claim Maternity Immunisation Allowance for children who are adopted from outside Australia and who enter Australia before they are 16 years of age. If your child was adopted from outside Australia you will need to claim on or before your child's fifth birthday or within two years of their arrival in Australia (whichever is later).

## Basic rates and method of payment

- Each amount of Maternity Immunisation Allowance is \$125.50. As the payment is subject to indexation the second amount may be slightly higher than the first.

## Health Care Cards

Health Care Card holders (and in some instances their dependants) may receive some concessions and benefits related to their medical expenses.

### Basic conditions of eligibility

- If you receive certain income support payments, you may automatically get a Health Care Card or a Pensioner Concession Card with that payment.
- If you do not receive an income support payment, but are entitled to receive the maximum rate of Family Tax Benefit Part A by fortnightly instalments, you will automatically receive a Family Tax Benefit Health Care Card. If you no longer receive Family Tax Benefit but have regular care of your children (between 14 and less than 35 per cent of the time), you may still be eligible for a Family Tax Benefit Health Care Card.
- If you do not qualify for a Family Tax Benefit Health Care Card, you may be eligible for a low income Health Care Card. To qualify for this card you must have income under certain limits.
- A foster child Health Care Card can be claimed by foster carers (including grandparent carers) on behalf of the child, and is not means tested.

## Child Care Benefit

Child Care Benefit helps with the cost of approved and registered child care.

### Approved Child Care

Approved Child Care is care provided by a child care service that has been approved to receive Child Care Benefit payments on behalf of families. Most long day care, family day care, in home care, outside school hours care, vacation care, and some occasional care services offer approved care.

### Registered Child Care

Registered Child Care is care provided by nannies, grandparents, relatives or friends who are registered as carers with the Family Assistance Office. It may also be provided by individuals in private preschools, kindergartens, some outside school hours care services and some occasional care centres. Carers or teachers in these services must be registered with the Family Assistance Office.

### Basic conditions of eligibility

- You are a parent, foster parent or grandparent with a child in your care.
- Your child attends approved or registered child care.
- You must be liable for paying child care fees for your child.
- You or your partner meet the residency requirements.
- Your child meets the immunisation requirements or has an approved exemption.
- You and your partner meet the income test.

## Residential requirements

You or your partner must be living permanently in Australia and be:

- an Australian citizen, **or**
- the holder of a permanent visa, **or**
- a New Zealand citizen who arrived on a New Zealand passport, **or**
- a holder of a certain temporary visa, for example, Spouse/ Partner Provisional and 851 Resolution of Status (Permanent) (Class D) and similar subclass visas (to find out the temporary visa subclasses that may qualify, please contact the Family Assistance Office), **or**
- a student from overseas sponsored by the Australian Government, **or**
- a non-resident experiencing hardship or special circumstances.

## Immunisation requirements

To get Child Care Benefit for any child aged under seven you must show that:

- your child's immunisation is up to date, **or**
- your child is on a catch-up immunisation schedule, **or**
- you have an approved exemption from the immunisation requirements for your child.

## Eligible child care hours—Approved Care

Depending on your circumstances you may be entitled to:

### Up to 24 hours of Child Care Benefit per child per week

You can get up to 24 hours of Child Care Benefit per child per week if you are eligible for Child Care Benefit and are using an approved child care service.

### Up to 50 hours of Child Care Benefit per child per week

You can get up to 50 hours per child per week if you are eligible for Child Care Benefit and using an approved child care service, **and**:

- you and your partner are working, looking for work, training, studying or doing voluntary work for at least 15 hours per week (or 30 hours per fortnight), **or**
- you or your partner have a disability, **or**
- you or your partner get Carer Allowance or Carer Payment for a child/adult (Carer Allowance and Carer Payment are Centrelink payments), **or**
- you or your partner are an eligible grandparent with the primary care of a grandchild using approved child care.

### For more than 50 hours of Child Care Benefit per child per week

You can get more than 50 hours of Child Care Benefit per child per week if you and your partner are both unavailable at the same time to care for your child(ren) for more than 50 hours a week due to work, study or training commitments (including travel to and from work).

**Note:** Child Care Benefit is payable for all hours above 50 hours per week up to your eligible hours limit.

## Eligible child care hours—Registered Care

You can get up to 50 hours per child per week if you and your partner are working, training or studying at some time during the week the child care is used, or have an exemption.

## Other factors affecting eligibility

If any of the following situations apply to you, it may affect your entitlement to Child Care Benefit and you should notify the Family Assistance Office on **13 6150** and your child care provider:

- if your child starts school, **and/or**
- if your income changes, **and/or**
- if you enter into a salary sacrificing arrangement with your employer (some or all of your child care fees are paid for you), **and/or**
- if one of your children stops using care.

## Absences

CCB can be paid in some situations if you are charged for child care when your child is absent.

CCB is paid for up to 42 absences for each child per financial year across all approved child care services except Occasional Care. These absence days can be taken for any reason with no evidence required. Please talk to your child care provider regarding the absence policy detail.

CCB is also paid for additional absences above the 42 days for certain reasons. There is no limit on these days but supporting documentation may be required. Please talk to your child care provider regarding the additional absence policy detail and any supporting document requirements.

For Occasional Care, CCB is paid for an absence if the child care has been booked and paid for at the Occasional Care service. There is no limit on the number of absences.

You can access your child's absence record on your View Child Care Attendance online statement available on the Family Assistance Office website, under Online Services/View child care details and payments, at [www.familyassist.gov.au](http://www.familyassist.gov.au)

## Rates and method of payment—Approved Care

There is no longer a non-income tested minimum rate of Child Care Benefit. This means if you no longer receive a payment of Child Care Benefit you may still be eligible for the 50 per cent Child Care Rebate.

| Number of non-school children in approved child care | Maximum rate per week (for 50 hours approved child care)                 | Maximum rate per hour for each non-school child |
|--|--|---|
| 1  | \$184.00   | \$3.68  |
| 2  | \$384.55   | \$3.84  |
| 3  | \$600.12<br>+\$200.04 for each non-school child in care, after the third | \$4.00  |

**Note:** depending on your circumstances (e.g. what type of child care service you use and the number of hours) you may be entitled to a different rate than stated. You should contact the Family Assistance Office for a more accurate assessment.

- Rates for school children are 85 per cent of the non-school rates.
- A higher percentage applies to non-school children attending a long day care service for less than 38 hours a week.
- A higher standard hourly rate applies to children attending family day care and in home care services for less than 37.5 hours a week.

- A higher non-standard hourly rate applies to children attending family day care and in home care services for any hours outside the service's standard hours.
- Eligible grandparents who have primary care of a child and receive any income support payment will receive full fee relief for each child in approved child care for up to 50 hours per child per week.

## Your payment options

Child Care Benefit can be paid as:

- reduced fees—your Child Care Benefit will be paid to your child care service, who will pass it to you in the form of fee reduction so you pay less in fees, **or**
- lump sum—you will pay full child care fees to your child care service during the year, and after the end of the income year you may make a claim for Child Care Benefit as a lump sum.

**Note:** you must claim Child Care Benefit as reduced fees if you want to receive your Child Care Rebate as a quarterly payment even if your Child Care Benefit entitlement is zero due to income.

You can choose to receive your Child Care Rebate annually at any time by contacting the Family Assistance Office on **13 6150**.

If you choose to receive your Child Care Benefit as a lump sum payment, any Child Care Rebate will also be paid as a lump sum at the end of the year after you have claimed your Child Care Benefit.

If you or your partner are an eligible grandparent using approved child care and have primary care of your grandchild, and you receive an income support payment, you may be entitled to extra assistance. You should discuss your options with the Family Assistance Office.

**Child Care Benefit cannot be claimed through the tax system.**

## Rate and method of payment—Registered Care

- \$0.615 per hour (up to \$30.75 per week for 50 hours of registered care) for a non-school child.
- Rates for school children are 85 per cent of the non-school rates.
- Paid by direct credit to your bank, credit union or building society account when you claim with your child care receipts, after care has been provided. You must claim within 12 months of using care.

**Note:** you cannot get the Child Care Rebate for registered care.

## Income test—Approved Care

- Maximum rate is payable for actual annual family income under \$38 763 or if you or your partner are receiving an income support payment (such as Parenting Payment or Newstart).
- As income increases above \$38 763, the amount of Child Care Benefit decreases.
- If your income is above the income limits shown in the table below, you will not receive any Child Care Benefit. If your Child Care Benefit entitlement is zero due to income you may still be eligible for the Child Care Rebate.

| Number of children in care | Income limits  |
|----------------------------|--|
| 1                          | \$134 443  |
| 2                          | \$139 333  |
| 3                          | \$157 329 + \$29 721 for each child in care, after the third |

## Income test—Registered Care

- Not subject to an income test.
- Tax File Numbers are not required.

## Child Care Rebate

The Child Care Rebate is a payment from the Australian Government that helps working families with the cost of child care. If you are using approved child care for work, training or study related reasons the Government will provide you with 50 per cent of your out-of-pocket child care costs up to the annual cap. From 1 July 2010 the Child Care Rebate annual cap will be \$7500 per child per year, subject to the passage of legislation.

## Basic conditions of eligibility

There are certain requirements you must meet to get the Child Care Rebate:

- you must have used approved child care, **and**
- you must have been eligible for Child Care Benefit (entitled at a rate of zero or more)\*, **and**
- you and your partner must have passed the Child Care Benefit work, training, study test (for the purposes of the rebate).

\*There is no income test for the Child Care Rebate. If you are eligible for Child Care Benefit, but your Child Care Benefit entitlement is zero due to income, you are still eligible for the Child Care Rebate.

If you have identified that you are eligible for Child Care Benefit but have not received it, you can lodge a lump sum claim with the Family Assistance Office. You must do this within two years of the end of the financial year for which you are claiming. Once you have received your Child Care Benefit entitlement, you are then eligible for the Child Care Rebate if you used approved care and you and your partner were working, training or studying.

If you were not eligible for Child Care Benefit for approved care, you will not be able to get the Child Care Rebate.

**Note:** Child Care Rebate may only be payable for absences from child care that attract Child Care Benefit.

## Child Care Benefit work, training, study test for the purposes of the Child Care Rebate

You can get the Child Care Rebate if you are eligible for Child Care Benefit (entitled at a rate of zero or more) and using an approved child care service, **and**:

- you and your partner are working, looking for work, training, studying or doing voluntary work to improve your work skills, **or**
- you or your partner have a disability, **or**
- you or your partner get Carer Allowance or Carer Payment for a child/adult (Carer Allowance and Carer Payment are Centrelink payments), **or**
- you or your partner are an eligible grandparent with the primary care of a grandchild using approved child care.

**\*Note:** You only have to participate in work related commitments at some time during a week or have an exemption. No minimum number of hours is required

## Maximum limit

If you meet the eligibility criteria, you can get 50 per cent of your out-of-pocket child care expenses for approved care up to the annual cap. From 1 July 2010 the Child Care Rebate annual cap will be \$7500 per child per year, subject to the passage of legislation.

Out-of-pocket expenses mean the amount you pay for child care after your Child Care Benefit and Jobs Education and Training Child Care fee assistance (see below) amounts are taken out.

## Methods of payment

### For child care costs in 2008–09 onwards

Quarterly payments will be paid once the Family Assistance Office has received child care usage/attendance details from your approved child care service/s. Quarterly payments will be paid to you automatically if you receive your Child Care Benefit as reduced fees, at the zero rate, or more than the zero rate.

Payment of the last quarter of the Child Care Rebate will be 'held' until Child Care Benefit reconciliation occurs (when your tax returns have been lodged and all your child care usage/attendance information has been received). Once your Child Care Benefit entitlement has been determined then your Child Care Rebate entitlement is calculated. The final quarterly payment will take into account any adjustments that need to be made. Any remaining Child Care Rebate is paid directly into your bank account by the Family Assistance Office, or a debt will be raised if too much Child Care Rebate has been paid.

If you choose to claim Child Care Benefit as a lump sum payment, you will not receive your Child Care Rebate entitlement until the end of the year after you have claimed your Child Care Benefit.

## Jobs, Education and Training Child Care fee assistance (JETCCFA)

JETCCFA provides extra help with the cost of approved child care to eligible parents undertaking activities such as JobSearch, work or study as part of an Employment Pathway Plan, to help them to re-enter the workforce.

It pays some of the 'gap fee'—the difference between the total child care fee and the amount covered by Child Care Benefit up to a person's eligible hours limit, with all parents making a contribution of 10 cents per JETCCFA hour per child plus the cost for any additional hours over their eligible hours limit.

For more information call the Family Assistance Office on **13 6150** or visit the website at **[www.familyassist.gov.au](http://www.familyassist.gov.au)**

## Estimating family income

Entitlement to Family Tax Benefit and/or Child Care Benefit is based on your family income in a financial year. If you choose to receive Family Tax Benefit fortnightly and/or Child Care Benefit as reduced fees, you need to provide the Family Assistance Office with an estimate of your family income for the current financial year. This is used to work out your new fortnightly rate of Family Tax Benefit and/or Child Care Benefit percentage.

**Important:** if you (or your partner) recently stopped receiving a government pension or benefit, you must provide a new income estimate within 14 days or your Family Tax Benefit/Child Care Benefit will be affected.

The income you need to tell the Family Assistance Office about is your and your partner's actual annual family income (also known as adjusted taxable income) and is the total of:

- taxable income = gross income less allowable deductions. **Note:** if you receive/received a taxable government pension or benefit you will need to include this amount in your taxable income estimate, **and**
- employer provided or reportable fringe benefits, **and**
- the value of total net investment losses, **and**
- the value of any tax-free pensions or benefits, **and**
- reportable superannuation contributions, **and**
- target foreign income, **less**
- the full amount of any child support you and/or your partner pay.

**Note:** you can use the Centrelink/Family Assistance/Child Support/Child Care Estimator online to work out your possible entitlement to Family Tax Benefit and/or Child Care Benefit and Child Care Rebate for approved child care. Visit [www.familyassist.gov.au](http://www.familyassist.gov.au) for more information.

## How to update your income estimate

You can update your income estimate by visiting our website at [www.familyassist.gov.au](http://www.familyassist.gov.au) by visiting your local Family Assistance Office or by calling **13 6150** between 8.00 am and 8.00 pm (local time) Monday to Friday.

## Why your estimate of family income is important

If your Family Tax Benefit is paid fortnightly or you get Child Care Benefit as reduced fees, we use your estimate of your annual family income for the financial year to work out your fortnightly rate.

We realise that estimating your family's annual income may not be easy, especially if it is not regular. However, it is important that you estimate as accurately as possible to reduce the risk of being overpaid.

If your salary or wage is paid weekly or fortnightly, the number of individual pay days in a financial year can vary. You need to be aware of this when you estimate your income to avoid being overpaid. If you are unsure you should check the actual number of paydays for the financial year with your employer.

## Your payments will be reconciled after the end of the financial year

A checking process occurs after the end of the financial year. The amount of Family Tax Benefit and/or Child Care Benefit you received through the year will be checked against the amount you should have received, based on your actual annual family income. This is done through the Australian Taxation Office after you and your partner have lodged your income tax returns. If you and/or your partner are not required to lodge an income tax return you need to advise the Family Assistance Office.

Child Care Benefit balancing cannot commence until all your income tax returns have been lodged and child care usage/attendance information has been received from child care services you used during the financial year.

## If you overestimate your annual family income

If you overestimate your actual annual family income and are underpaid during the year, your Family Tax Benefit or your Child Care Benefit will be topped up to your full entitlement after the end of the financial year. For this to occur, you and/or your partner must lodge your income tax returns within two years of the end of the financial year for which you are claiming. Top-ups may be used to repay outstanding family assistance overpayments.

## If you underestimate your annual family income

If your actual annual income is more than you estimated and you have been paid too much, you will have to repay any Family Tax Benefit and/or Child Care Benefit you should not have been paid.

## What if your income estimate increases?

You need to tell the Family Assistance Office of any changes to your income estimate as soon as you can. The Family Assistance Office will use your new estimate to work out your family's provisional entitlement of Family Tax Benefit and/or Child Care Benefit. In order to reduce the possibility of a debt at the end of the financial year your Family Tax Benefit will be automatically adjusted.

**If your income estimate has increased, visit your nearest Family Assistance Office, call the Family Assistance Office on 13 6150 or visit [www.familyassist.gov.au](http://www.familyassist.gov.au)**

## Notification of other circumstance changes

You are required to notify the Family Assistance Office of any changes in your family's circumstances that may affect your entitlement. These include:

- you become, or cease to be, a member of a couple (opposite-sex or same-sex)
- you change address and/or the amount of rent you pay changes
- you start to receive child support or the amount you receive changes
- you or your child leave Australia, even for a short time, or return to Australia
- you share the care of your child with anyone other than your current partner
- the amount of shared care you provide changes
- your child stops living with you
- your child starts school.

There are other circumstances that you must tell us about. These are listed on the letters you receive from the Family Assistance Office.

## Definition of a partner

For Centrelink and Family Assistance Office purposes a person is considered to be your partner if you and the person are living together, or usually live together, and are:

- married, **or**
- in a registered relationship (opposite or same-sex), **or**
- in a de facto relationship (opposite or same-sex).

Centrelink and the Family Assistance Office consider a person to be in a de facto relationship from the time they commence living with another person as a member of a couple. From 1 July 2009 Centrelink and the Family Assistance Office recognise all couples, opposite-sex and same-sex.

## For more information

- Visit the website at **[www.familyassist.gov.au](http://www.familyassist.gov.au)**
- Check the 'Multilingual' link on the Family Assistance website for more information in languages other than English.
- Visit your nearest Family Assistance Office located in Medicare offices and Centrelink Customer Service Centres.
- Call the Family Assistance Office on **13 6150\*** between 8.00 am and 8.00 pm (local time) Monday to Friday.
- Call **TTY Service Freecall™ 1800 810 586** (Only for people who are deaf or have hearing or speech impairment.) A TTY phone is required to use this service.
- Call **13 1202\*** to speak to Centrelink in languages other than English.

\*Calls from your home phone to Centrelink '13' numbers from anywhere in Australia are charged at a fixed rate. That rate may vary from the price of a local call and may also vary between telephone service providers. Calls to '1800' numbers from your home phone are free. Calls from public and mobile phones may be timed and charged at a higher rate.

## Disclaimer

The information contained in this publication is intended only as a guide to payments and services. It is your responsibility to decide if you wish to apply for a payment and to make an application, with regard to your particular circumstances.

This information is accurate as at 1 July 2010. If you use this publication after that date, please check with us that the details are current.