



GOVERNMENT BENEFITS FOR PARENTS & FAMILIES

The Australian Government, through Department of Human Services, provide a number of payments to parents to assist in the cost of raising children.

A comprehensive list of the various bonuses and benefits can be found at http://www.humanservices.gov.au/customer/information/family-assistance-website?utm_id=10

To be eligible for these benefits you must be an Australian Resident for Family Assistance purposes (which is different for Tax Purposes).

To be a resident for Family Assistance purposes generally you must reside in Australia and either be an Australian citizen, hold a permanent visa or hold one of various temporary visas. For more details <http://www.humanservices.gov.au/customer/enablers/residence-descriptions>

Before your baby is born

We recommend you work out what you might be eligible for and lodge claims where possible prior to the arrival of your baby.

<http://www.humanservices.gov.au/customer/subjects/before-your-baby-is-born>

The most relevant bonuses and benefits available to parents are summarised below.

Parental Leave Pay

<http://www.humanservices.gov.au/customer/services/centrelink/parental-leave-pay>

This is to provide support for 18 weeks to help eligible parents take time off work to care for a newborn or recently adopted child.

To meet the parental leave work test you must have worked at least 10 of the 13 months before the birth or adoption of your child and worked at least 330 hours in that 10 month period. This equates to approximately 8-9 hours per week in the 10 months.

The amount of parental leave pay is calculated at the rate of the national minimum wage, currently \$657 per week before tax and is paid for a maximum of 18 weeks. It is a taxable payment that can be paid by your employer or the department of Human Services directly.

NOTE: Parental Leave Pay and Newborn payment / supplement can't be paid for the same child. If you meet the eligibility criteria for both payments, you can choose which one is the best financial decision for your family.

Newborn Upfront Payment & Newborn Supplement

This payment replaced what was previously known as the Baby Bonus from 1st March 2014.

To be eligible you need to be eligible for Family Tax Part A – see the links later in this document for eligibility requirements but as a guide for your first child your family income needs to be under \$101,872 in the 2015-2016 financial year.

<http://www.humanservices.gov.au/customer/services/centrelink/newborn-upfront-payment-and-newborn-supplement>

Dad and Partner Pay

<http://www.humanservices.gov.au/customer/services/centrelink/dad-and-partner-pay>

Supports Dads, or partners caring for a child who is born or adopted on, or after, 1 January 2013, with up to two weeks government-funded pay.

If you are an eligible working dad or partner, you can get up to two weeks of government-funded pay at the rate of the National Minimum Wage (currently \$657 per week before tax) when you are on unpaid leave from work or are not working.

Family Tax Benefit (FTB)

Is a payment that you can receive to help with the cost of raising your dependant children.

There are two parts FTB Part A and FTB B and you may be eligible for either Part A or B only or both Part A and Part B.

Part A is income tested based on your adjusted taxable income (ATI – see definition below) and Part B is additional assistance to families with one main income, including single parent families.

Family Tax Benefit Part A

May apply where you have dependant children under age 19 whom you provide care to, who are studying full time and for whom you provide care for a minimum of 35% of the time.

Family Tax Benefit Part B

May apply until the time that your youngest dependant child turns 16 years old or in some case where a child is studying, to 31 December of the calendar year in which your youngest child turns 18 years old.

What is Adjusted Taxable Income (ATI)?

Is your taxable income, adjusted for fringe benefits, net rental property losses, tax free pension and child maintenance that you paid to another person.

Income Tests for Family Tax Benefits

This link gives more information on the income test for Family Tax Benefit Part A
<http://www.humanservices.gov.au/customer/enablers/centrelink/family-tax-benefit-part-a-part-b/ftb-a-income-test>

This link gives more information on the income test for Family Tax Benefit Part B
<http://www.humanservices.gov.au/customer/enablers/centrelink/family-tax-benefit-part-a-part-b/ftb-b-income-test>

And this link gives an idea of the rates of payment for Part A
<http://www.humanservices.gov.au/customer/enablers/centrelink/family-tax-benefit-part-a-part-b/ftb-a-payment-rates>

And this link gives an idea of the rates of payment for Part B
<http://www.humanservices.gov.au/customer/enablers/centrelink/family-tax-benefit-part-a-part-b/ftb-b-payment-rates>

FTB A and FTB B Supplements

These additional payments are paid after the end of the financial year when you and your partner lodge your tax returns. The supplements are an increase in the annual rate of the FTB Part A and B.

The current supplements are Part A \$726.35 and Part B \$354.05.

Child Care Benefit (CCB)

To receive CCB a child must attend approved or registered child care and the claimant must meet the FAO Australian Residency conditions mentioned above.

The child must have its immunisation up to date and either parents, or the sole parent must meet study, work, and training criteria to receive the CCB for more than 24 hours but no more than 50 hours per child per week of approved care.

For more information on income tests, payment rates etc.

<http://www.humanservices.gov.au/customer/services/centrelink/child-care-benefit>

You need to contact Centrelink directly to obtain an assessment of your situation.

Child Care Rebate (CCR)

This rebate is to help with the cost of child care. From 1 July 2011 it is a refund of 50% of your out of pocket expenses for approved care up to a maximum of \$7,500 per child per year.

In order to qualify you must be assessed as eligible for the Child Care Benefit – even a zero rate will allow you to claim the child care tax rebate.

There are four ways to receive your Child Care Rebate:

- directly to your Child Care Benefit approved child care service, fortnightly (or in many circumstances weekly) or
- directly to your bank account, fortnightly (or in many circumstances weekly) or
- by quarterly payment to your bank account or
- by annual payment to your bank account (this payment option only available if you receive your Child Care Benefit for approved child care as a lump sum payment)

Note: The payment method you choose for Child Care Rebate will be applied for the entire financial year. A new payment method cannot be applied until the start of the next financial year unless exceptional circumstances apply.

At the end of the year, the CCTR will be reconciled against your actual income and adjusted for the financial year.

Online Customer Services

If you have access to the Internet you can register online <http://www.humanservices.gov.au/customer/subjects/get-it-done-online> and we would suggest you do this. Alternatively you can call the Family Assistance Office on 13 6150 between 8am and 8pm and they are generally very helpful.

There is also a Centrelink app for families which is worth setting up if you have a smart phone.

Express Plus for Families App

This app is available from both iPhones and android phones. Once you have downloaded the app, you will need to use your online services login details to set up your Express plus app.

This app will allow you to:

- register your new born with Human Services
- view and update family income estimates
- view child care summary
- subscribe to letters online and view letters

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You should refer to the Life Strategies Financial Services Financial Services Guide (FSG) in relation to any financial service provided to you.

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