

Family Assistance Office

Changes to Child Care Benefit - Budget 2008-09 Fact Sheet

On 7 July 2008, Child Care Benefit (CCB) will undergo a change. There will no longer be a minimum CCB rate for approved child care. This will affect only high income families.

How will the new system work?

This is an extension of the current system where a family's income affects their CCB entitlement. However, instead of the rate reducing only down to the minimum rate, it will continue to reduce until the family's rate is zero. The income levels at which the payment cuts out completely will depend on the number of children using approved child care.

What are the income levels affected by the changes to the Child Care Benefit?

Families with incomes over the following thresholds will have a reduced CCB payment:

- 1 child in approved care: approximately \$111,687
- 2 children in approved care: approximately \$119,371
- 3 children in approved care: approximately \$135,503

Once families incomes reach the following income limits, they will no longer receive CCB:

- 1 child in approved care: approximately \$126,793.
- 2 children in approved care: approximately \$131,457
- 3 children in approved care approximately \$148,452

Will I still get the Child Care Tax Rebate?

Families using approved child care that were eligible for the Child Care Tax Rebate (CCTR) before the changes will continue to be eligible for the CCTR.

They will receive much more additional assistance through the announced CCTR changes than they will lose in CCB.

Further details on eligibility for the CCTR are available in the Child Care Tax Rebate fact sheet, also on this website. The criteria relate to things like your citizenship or residency status and the type of care your child uses. Eligibility for CCTR is not dependent on your income.

If you are unsure if you are eligible for either CCTR or CCB you should contact the Family Assistance Office to confirm your eligibility. They can help you assess which payments you are eligible for.

How can I get more information?

Visit the <u>Office of Early Childhood Education and Child Care</u> Visit the <u>Family Assistance Office</u> <u>Access Online Services</u>

Call 13 61 50* between 8am and 8pm (local time) Monday to Friday.

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URL: http://www.familyassist.gov.au/content/publications-factsheets-ccb_budget0809.htm
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