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# Appendix 4: Government Benefits

## Aged Care

Introduction

The Australian Government pays for the bulk of aged care services in Australia through subsidies paid to aged care providers.

Consumers may be asked to contribute to costs if they are financially able to do so. Help is available if people cannot afford to pay for care and accommodation costs. Consumers will never be denied access to care if they cannot afford to pay the fees.

The fees which you may be asked to pay are detailed below.

### Home Care Packages

These combine several services tailored to meet the specific care needs of consumers. They can:

|  |
| --- |
| * Help you to stay at home. |
| * Give choice and flexibility in the way people are given care and support. |

The types of services provided under a Home Care Package will depend on the specific needs of consumers and will be paid to them directly. Services include:

|  |
| --- |
| * **Personal Care:** Such as help with showering or bathing, dressing, mobility, meal preparation and eating; |
| * **Support Services:** Such as help with washing and ironing, house cleaning, gardening, basic home maintenance, home modifications related to care needs such as hand rails in the shower, and transport to help residents with the shopping, visit the doctor or attend social activities; and |
| * **Clinical Care:** Such as nursing, and other health support such as physiotherapy (exercise, mobility, strength and balance) and podiatry (foot care). |

There are four levels of Home Care Packages – designed to give the care you needed:

|  |
| --- |
| * **Level 1:** Supports people with basic care needs. |
| * **Level 2:** Supports people with low-level care needs. |
| * **Level 3:** Supports people with intermediate care needs. |
| * **Level 4:** Supports people with high-level care needs. |

|  |  |  |
| --- | --- | --- |
|  | Government Subsidies at 1 July 2019 | |
| Level 1 | | $8,750 |
| Level 2 | | $15,520 |
| Level 3 | | $33,500 |
| Level 4 | | $50,750 |

If people are thinking about getting a Home Care Package, the first step is for them to organise a free assessment with an Aged Care Assessment Team (ACAT).

Local ACATs can be found at the My Aged Care website ([www.myagedcare.gov.au](http://www.myagedcare.gov.au)), then by clicking on ‘Find a Service’, then by clicking on ‘Assessment’. Or you can call My Aged Care on 1800 200 422 for help with being assessed.

In Victoria an ACAT is referred to as an Aged Care Assessment Service (ACAS).

People receiving a home care package can be asked to pay fortnightly or monthly:

|  |
| --- |
| * **Basic Fee:** Which all consumers receiving a home care package can be asked to pay. It is 17.5% of the single person basic age pension rate. |
| * **Income Tested Care Fee:** An extra contribution toward the cost of care that consumers may need to pay, on top of the basic fee – depending on assessable income. The Department of Human Services (Centrelink) will assess whether a person needs to pay this fee and how much. |

For those suffering financial hardship, assistance may be available depending upon assets and income.

### Residential Care

Aged care homes are owned and run by organisations approved by the Australian Government. The aged care system in Australia aims to make sure that all older people can receive support and quality care when they need it.

Staff at aged care homes can help with: day-to-day tasks (such as cleaning, cooking, laundry); personal care (such as dressing, grooming, going to the toilet); or 24-hour nursing care (such as wound care or catheter care).

If people are thinking about moving into an aged care home the first step is for them to organise a free assessment with an Aged Care Assessment Team (ACAT). Local ACATs can be found at the My Aged Care website ([www.myagedcare.gov.au](http://www.myagedcare.gov.au)), then click on ‘Find a Service’ then by clicking on ‘Assessment’. Or people can call My Aged Care on 1800 200 422 for help in locating an ACAT.

In Victoria an ACAT is referred to as an Aged Care Assessment Service (ACAS).

People moving into an aged care home can be asked to pay:

|  |
| --- |
| * **Basic Fee:** Paid by all people who receive residential care. For some people, this is the only fee they may need to pay. |
| * **Means-Tested Care Fee:** An extra contribution towards the cost of care that residents may need to pay, on top of the basic fee, depending on income and assets. |
| * **Accommodation Payment:** A payment for accommodation in an aged care home. Some people will have their accommodation costs paid in full or in part by the Australian Government. Others will need to pay the accommodation price they negotiate with their aged care home. |
| * **Fees for Extra or Additional Optional Services:** An extra payment residents can be asked to pay if a higher standard of accommodation is chosen or additional services such as hairdressing, or pay TV in rooms is elected. |

### Daily Care Fees

**Basic Daily Fee**

A basic daily fee is used to contribute towards day-to-day living costs such as meals, cleaning, laundry, heating and cooling. Everyone entering an aged care home can be asked to pay this fee.

From 20 September 2019, the maximum basic daily fee for new residents is:

|  |  |
| --- | --- |
| Situation | Basic Daily Fee (Per Day) [1] |
| Home Care \_ Level 1 Package | $9.52 |
| Home Care \_ Level 2 Package | $10.07 |
| Home Care \_ Level 3 Package | $10.35 |
| Home Care \_ Level 4 Package | $10.63 |
| Residential Care | $51.63 **[1]** |

Notes

|  |  |
| --- | --- |
| [1] | Residents in designated remote areas may be asked to pay an additional $1.06 per day. |

These rates increase on 20 March and 20 September each year in line with changes to the Age Pension.

**Means-Tested Care Fee**

This is an additional contribution towards the cost of care that some people may be required to pay. The Department of Human Services will work out if you are required to pay this fee based on an assessment of your income and assets, and will advise you of the amount.

Annual and lifetime caps have been set to limit how much a person will need to pay in means tested care fees:

|  |  |
| --- | --- |
| Caps on Means-Tested Care Fee in Residential Care at 20 September 2019 | |
| Maximum fee per annum [1] | $27,754.52 |
| Maximum fee over lifetime [2] | $66,610.90 |

Notes

|  |  |
| --- | --- |
| [1] | Once a resident reaches the annual cap, they will no longer have to pay any means tested care fee until the next anniversary of the date they first entered the aged. The Australian Government will pay for means tested care fees until the next anniversary.  The Department of Human Services (DHS) will let you and your provider know when the annual cap has been reached. |
| [2] | Once a resident reaches the lifetime cap, they will no longer have to pay any means tested care fees. The Government will pay for your care costs.  If a resident was paying an income tested care fee for a Home Care Package before they moved into an aged care home, the amount they have paid in income tested care fees will count towards their lifetime cap.  The caps only apply to means tested care fees in residential care and any income tested care fees in home care paid. Residents may still need to pay the basic fee and any accommodation costs. |

### Accommodation Payments

This is for accommodation in the home. Some people will have their accommodation costs met in full or in part by the Australian Government, while others will need to pay the accommodation price agreed with the aged care home.

The amount you can be asked to pay for your accommodation will be based on your income and assets, and will be one of the following:

|  |
| --- |
| * **No Accommodation Costs:** If your income and assets are below a certain amount, the Australian Government will pay your accommodation costs. |
| * **An Accommodation Contribution:** If you are required to pay part of the cost of your accommodation, the Australian Government will pay the rest. |
| * **An Accommodation Payment:** If you are required to pay for the full cost of your accommodation. |

The Department of Human Services will advise which applies to you based on an assessment of your income and assets.

You cannot be asked to pay both an accommodation payment and an accommodation contribution at the same time.

You can choose to pay your accommodation costs by:

|  |
| --- |
| * A lump-sum style ‘refundable accommodation deposit’; |
| * Rental-type payments called a ‘daily accommodation payment’; or |
| * A combination of both. |

You will have 28 days from the day you entered care to decide your payment method.

You must pay your accommodation costs by the rental-type payment method, until you decide on your ongoing payment method.

**Refundable Accommodation Deposit (RAD)**

A lump sum payment for accommodation in an aged care home. This is the price of a room, in lump sum form, that residents have agreed with their aged care home to pay. Residents can pay their accommodation price in full by RAD or they can pay via combination of a smaller RAD and Daily Accommodation Payment (DAP) or they can pay in full by DAP.

If the residents and their aged care home agree, the resident can ask their provider to deduct certain amounts from the lump sum they already paid – for example for care fees. The RAD, minus any amounts deducted (as agreed), is refunded when the residents leaves the aged care home.

**Daily Accommodation Payment (DAP)**

The daily payment for accommodation in an aged care home. The aged care facility will work out the DAP based on a legislated formula that converts the RAD price to a DAP price. The resident makes this payment on a regular basis, up to a month in advance, similar to paying rent.

The DAP is not refunded when the resident leaves the aged care home or decides to pay a RAD.

The resident can choose to pay a combination of a RAD and a DAP for their accommodation costs.

**Refundable Accommodation Contribution (RAC)**

Also, a lump sum payment for accommodation in an aged care home, just like a RAD. The difference between a RAC and a RAD is that a RAC is the term used when a person who is receiving Australian Government assistance with their accommodation costs makes a ‘contribution’ towards their accommodation costs (with the Australian Government also making a contribution on their behalf).

RAD is the term used when the person making the lump sum payment is not eligible for Australian Government assistance and is meeting the full costs of their accommodation on their own. The RAC, minus any amounts deducted (as agreed) is refunded when the residents leave the aged care home – just like a RAD.

**Daily Accommodation Contribution (DAC)**

The daily contribution for accommodation in an aged care home that residents would need to pay, if they also receive Australian Government assistance with their accommodation costs. Residents make this contribution on a regular basis, up to a month in advance, similar to contributing to rent.

The DAC is not refunded when the resident leaves the aged care home or decides to pay a RAC.

Residents can choose to pay a combination of a RAC and a DAC for their accommodation costs.

### Income Thresholds

**Income Free Area – Home Care & Residential Care**

Effective 20 September 2019, annual income up to these amounts is excluded from the income test component of the residential means test and the income test in home care:

|  |  |
| --- | --- |
| Income Free Area – Home Care & Residential Care | |
| Income Free Area (single person) | $27,463.80 per year |
| Income Free Area (couple, illness separated, single rate) | $26,943.80 per year |
| Income Free Area (couple, living together, single rate) [1] | $21,294.00 per year |

Notes

|  |  |
| --- | --- |
| [1] | Relevant to Home Care only. |

**Income Thresholds – Home Care Income Test**

Effective 20 September 2019, consumers with income above these amounts are subject to the second cap when calculating the daily income tested care fee in home care:

|  |  |
| --- | --- |
| Income Thresholds – Home Care Income Test | |
| Income Threshold (single person) | $53,060.80 per year |
| Income Threshold (couple, illness separated, single rate) | $52,540.80 per year |
| Income Threshold (couple, living together, single rate) | $40,586.00 per year |

### Asset Thresholds

|  |  |
| --- | --- |
| Residential Care Means Test | |
| Asset Free Threshold [1] | $49,500.00 |
| First Asset Threshold | $169,079.20 |
| Second Asset Threshold | $408,237.60 |

Notes

|  |  |
| --- | --- |
| [1] | After paying lump sum RAD/bond, resident must be left with assets of at least $49,500 |

Caps

|  |  |
| --- | --- |
| Home Exemption Cap | |
| Home Exemption Cap (applies separately to both members of a couple) [1] | $169,079.20 |

Notes

|  |  |
| --- | --- |
| [1] | The net value of the home above this amount is excluded from the value of the resident’s assets. |

|  |  |
| --- | --- |
| Caps on Income Tested Care Fees in Home Care | |
| First Cap [1] | $15.24 |
| Annual Cap - income not exceeding the income threshold [2] | $55,550.90 |
| Second Cap [3] | $30.49 |
| Annual Cap - income exceeding the income threshold [4] | $11,101.81 |

Notes

|  |  |
| --- | --- |
| [1] | Daily cap applying on income tested care fees where the consumer’s income does not exceed the income threshold |
| [2] | Annual cap applying to income tested care fees where the consumer’s income does not exceed the income threshold |
| [3] | Daily cap applying on income tested care fees where the consumer’s income exceeds the income threshold |
| [4] | Annual cap applying to income tested care fees where the consumer’s income exceeds the income threshold |

|  |  |
| --- | --- |
| Cap on Means Tested Care Fees in Residential Care | |
| Annual Cap | $27,754.52 |

|  |  |
| --- | --- |
| Lifetime Cap on Means Tested Care Fees in Residential Care & Income Tested Care Fees in Home Care | |
| Lifetime Cap | $66,610.90 |

|  |  |
| --- | --- |
| Maximum Accommodation Supplement Amount | |
| Maximum Amount | $57.49 |

|  |  |
| --- | --- |
| Deeming Thresholds & Rates from 20 September 2019 | |
| Threshold – Single | $51,800 |
| Threshold – Couple (Combined) | $86,200 |
| Lower Rate | 1.00% |
| Higher Rate | 3.00% |

|  |  |
| --- | --- |
| Relevant Rates & Thresholds for Refundable Deposits & Daily Payments at 20 September 2019 | |
| Maximum Permissible Interest Rate:  - for all new residents from 1 April 2019 - 30 June 2019 | 5.96% |
| Maximum rate of interest that may be charged on outstanding amount of daily payment:  - from 1 October 2019 - 31 December 2019 | 4.98% |
| Base Interest Rate | 3.00% |
| Minimum permissible asset level [1] | $49,500 |
| Maximum refundable accommodation deposit [2] | $550,000 |

Notes

|  |  |
| --- | --- |
| [1] | This is the minimum amount of assets a resident must be left with if they pay at least part of their accommodation costs by refundable deposit |
| [2] | Amount that can be charged without prior approval from the Aged Care Pricing Commissioner |

Fees for Extra or Additional Optional Services

Additional fees may apply if you choose a higher standard of accommodation or additional services. These vary from home to home. Your aged care provider can give you details of these services, such as hairdressing and Foxtel, and the fees that apply.

Aged care homes with dedicated extra service places are required to publish their extra service fees on the My Aged Care website ([www.myagedcare.gov.au](http://www.myagedcare.gov.au)), their own website and in other relevant materials they provide to prospective residents.

## Centrelink Payments

### Residency and Social Security

In deciding for Social Security purposes whether or not a person is residing in Australia, the Department of Human Services will have regard to:

                     (a)  accommodation used by the person in Australia

                     (b)  the nature and extent of the family relationships the person has in Australia

                     (c)  the nature and extent of the person’s employment, business or financial ties with Australia

                     (d)  the nature and extent of the person’s assets located in Australia

                     (e)  frequency and duration of the person’s travel outside Australia

                     (f)  any other matter relevant to determining whether the person intends to remain permanently in Australia.

### Asset Test (Centrelink) \_ Selling a Home

The sale proceeds of an existing principal residence are exempt from assets testing (only) for up to 12 months if there is the intention to use these proceeds to purchase a new home or renovate an existing dwelling. In that interim period, the client is treated as a Homeowner for the calculation of benefit payments.

These proceeds may be invested and the exemption is not affected.

If the purchase/renovation of the replacement home is delayed due to circumstances beyond the client’s control, application can be made to Centrelink to extend the exemption period up to 24 months.

The exemption period ceases when:

* a new home is purchased
* the renovation is completed
* the client no longer intends to purchase or renovate

### Age Pension

The Age Pension provides income support and access to a range of concessions for eligible older Australians.

To qualify for Age Pension, you must satisfy age and residence requirements. How much Age Pension you will get depends on your income and assets and other circumstances?

**Eligibility**

To qualify for the Age Pension the following requirements must be met:

|  |
| --- |
| * You must have reached the qualifying age; |
| * You must meet the residency rules; and |
| * You must have income and assets below the cut-out thresholds. |

**Qualifying Age**

Men and women are eligible at age 65 if born before 1 July 1952.

For both men and women born on, or after, 1 July 1952:

|  |  |
| --- | --- |
| Qualifying Age | |
| People born between | Eligible for Age Pension at age |
| 1 July 1952 to 31 December 1953 | 65.5 |
| 1 January 1954 to 30 June 1955 | 66.0 |
| 1 July 1955 to 31 December 1956 | 66.5 |
| On or after 1 January 1957 | 67.0 |

**Residency Requirements**

Under the residency rules you must typically be living in Australia and have been an Australian resident for a continuous period of at least 10 years.

An Australian resident is defined as:

|  |
| --- |
| * An Australian citizen |
| * Has a qualifying residence exemption (eg. holder of a permanent resident visa; special category visa holder * Exemptions regarding residency may apply to refugees * Holders of certain pensions and allowances immediately before turning age pension age |

Agreements exist with some countries which may help you to qualify with less than 10 years residency. If you think this might apply to you, you should discuss your situation with Centrelink.

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment for the Age Pension are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Maximum  Pension Rate [1] |
| Single | $850.40 per fortnight |
| Member of a Couple (Each) | $641.00 per fortnight |

Notes

|  |  |
| --- | --- |
| [1] | These amounts exclude the Pension and Energy Supplements which pensioners may receive as an additional payment to the base pension. |
|  |  |

**Income & Assets Tests**

Your income and assets are tested against minimum and maximum limits.

The test that applies for determining a rate of payment is the one that results in the lowest amount of benefit.

Under the Income test, a couple’s combined income from all sources is used and applied against the Income test formulas to determine a rate of payment.

The Income test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | For Full  Pension [1] [2] | For Part  Pension [2] |
| Single | up to $172.00 | less than $2,040.80 |
| Couple combined | up to $308.00 | less than $3,122.00 |
| Illness separated, couple combined | up to $308.00 | less than $4,041.60 |

Notes

|  |  |
| --- | --- |
| [1] | Income over these thresholds reduces the rate of pension payable by 50¢ in the dollar for singles and 25¢ in the dollar each for couples. |
| [2] | Per Fortnight |

Under the Assets test, a person may own a certain level of assessable assets before their pension is reduced. The value of a person’s home is an exempt asset.

The Asset test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Assets Test | | |
| Homeowners [1] | | |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $473,750 | less than $785,000 |
| Couple combined | up to $605,000 | less than $1,074,000 |
| Illness separated, couple combined | up to $605,000 | less than $1,227,500 |
| One partner eligible, combined assets | up to $605,000 | less than $1,074,000 |

|  |  |
| --- | --- |
| Notes [1] | Your home is excluded from the assets test. |
| [2] | Assets over these amounts reduce the pension payable by $3 per fortnight for every $1,000.00 above the limit (single and couple combined). |

### Carer Allowance

The Carer Allowance is an income supplement for carers who provide additional daily care and attention for someone with a disability or medical condition, or who is frail & aged.

**Basic Conditions of Eligibility**

An income supplement paid to someone who provides daily care and attention at home to a person with a disability or medical condition who is:

|  |  |
| --- | --- |
| * Aged 16 or over where the disability causes a substantial functional impairment; or | |
| * A dependent child aged under 16: | |
| * - | * For a Health Care Card only, the child must require ‘substantially more care and attention’ compared to a child of the same age without a disability. |
| * - | * For Carer Allowance and a Health Care Card, the child’s disability must appear on a list of disabilities/conditions that result in automatic qualification or must cause the child to function below the standard for his or her age level. |
| * The child and the carer must live together in the same private residence or, if the child is hospitalised at the time of the claim, there must be an intention for the child to return home to live with the carer. | |

**Note:** A person who receives Carer Payment for a child may automatically be entitled to Carer Allowance.

**Residence Requirements**

The following residency requirements apply:

|  |
| --- |
| * Claimant and care receiver must be Australian residents. |
| * May be paid for up to six weeks of a temporary absence from Australia if care is being provided.   Effective 20 September 2019, the basic rate of payment for the Carer Allowance is:   |  | | --- | | $129.80 per fortnight | |

**Income & Assets Tests**

Carer Allowance is not subject to the Asset Test and Rent Assistance is not applicable.

A $250,000 annual family income test threshold applies to the Carer Allowance.

**Other**

The Carer Allowance is not subject to tax. The Carer Allowance may also be paid in addition to other Centrelink support payments.

### Carer Payment

The Carer Payment (adult) is an income support payment for people who are unable to support themselves through participation in the workforce while caring for someone with a disability, severe medical condition or who is frail aged.

**Eligibility**

A person will qualify for a Carer Payment if they provide constant care for:

|  |  |
| --- | --- |
| * ▪ | * A person who has a physical, intellectual or psychiatric disability. |
| * ▪ | * A child with a profound disability. |
| * ▪ | * An adult and that adult’s dependent child who needs care permanently or for an extended period. |

It is not necessary for the carer to live with the handicapped person. However, the carer must provide constant supervision or frequent care.

The person being cared for must receive a Centrelink or DVA pension/benefit, or meet special income and assets test limits. These special income and asset test limits are as follows:

|  |
| --- |
| * The income limit for a care receiver to qualify their Carer to receive Carer Payment is $114,359. |
| * The asset limit for a care receiver to qualify their Carer for Carer Payment is $705,500. * Current liquid assets limits for care receivers are $6,000 (single) and $10,000 (partnered). |

The carer cannot claim Carer Payment in addition to another social security pension or benefit. However, Carer Allowance may be payable (refer to the section of this report titled ‘Carer Allowance’).

Carer Payment is not taxable if the carer and person being cared for are both under Age Pension age.

The amount of Carers Payment payable is based on home ownership and marital status, as well as the Income and Assets Test.

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment for the Carer Payment are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Maximum  Pension Rate [1] |
| Single | $850.40 per fortnight |
| Member of a Couple (Each) | $641.00 per fortnight |

Notes

|  |  |
| --- | --- |
| [1] | These amounts exclude the Pension and Energy Supplements which pensioners may receive as an additional payment to the base pension. |
|  |  |

**Income & Assets Tests**

Your income and assets are tested against minimum and maximum limits.

The test that applies for determining a rate of payment is the one that results in the lowest amount of benefit.

Under the Income Test, a couple’s combined income from all sources is used and applied against the Income Test formulas to determine a rate of payment.

The Income Test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | For Full  Pension [1] [2] | For Part  Pension [2] |
| Single | up to $172.00 | less than $2,040.80 |
| Couple combined | up to $308.00 | less than $3,122.00 |
| Illness separated, couple combined | up to $308.00 | less than $4,041.60 |

Notes

|  |  |
| --- | --- |
| [1] | Income over these thresholds reduces the rate of pension payable by 50¢ in the dollar for singles and 25¢ in the dollar each for couples.  For transitional pensions or saved cases, income over these thresholds reduces the rate of pension payable by 40¢ in the dollar for singles and 20¢ in the dollar each for couples. |
| [2] | Per Fortnight |

Under the Assets Test, a person may own a certain level of assessable assets before their pension is reduced. The value of a person’s home is an exempt asset.

The Asset Test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Assets Test | | |
| Homeowners [1] | | |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $473,750 | less than $785,000 |
| Couple combined | up to $605,000 | less than $1,074,000 |
| Illness separated, couple combined | up to $605,000 | less than $1,227,500 |
| One partner eligible, combined assets | up to $605,000 | less than $1,074,000 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |
| [2] | Assets over these amounts reduce the pension payable by $3 per fortnight for every $1,000.00 above the limit (single and couple combined). |

### Child Support

The amount of child support to be paid is determined using the child support formula, which is set out in the Child Support (Assessment) Act. This determines how much child support should be paid by the parent who is not living with the child. It is based on taxable income and the number of children. You can get more information about child support from the 'Child Support Guide' available from the Child Support Agency or Centrelink.

### Disability Support Pension

The Disability Support Pension is a government support payment which assists Australian residents to achieve an adequate level of income where they are prevented from working full time as a result of a disability, illness or injury.

**Eligibility**

To qualify for the Disability Support Pension the following requirements must be met:

|  |
| --- |
| * You must be at least 16, but less than Age Pension age on the day of application. |
| * Be a qualifying Australian resident and living in Australia at the time of application. |
| * Have a disability, illness or injury which attracts an impairment rating of at least 20 points on the impairment tables and be unable to work for 15 hours or more for at least two years because of a disability, illness or injury. * Be permanently blind |

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment for the Disability Support Pension are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status - Over Age 21 | Maximum  Pension Rate |
| Single | $850.40 per fortnight |
| Member of a Couple (Each) | $641.00 per fortnight |
| Status - Under Age 21 (No Children) | Maximum  Pension Rate |
| Single, aged under 18, dependent, living at parental home | $379.00 per fortnight |
| Single, aged under 18, independent | $585.00 per fortnight |
| Single, aged 18-20, dependent, living at parental home | $429.60 per fortnight |
| Single, aged 18-20, independent | $585.00 per fortnight |
| Member of a couple | $585.00 per fortnight |

**Income & Assets Tests**

Your income and assets are tested against minimum and maximum limits.

The test that applies for determining a rate of payment is the one that results in the lowest amount of benefit.

Under the Income test, a couple’s combined income from all sources is used and applied against the Income test formulas to determine a rate of payment.

The Income Test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Over Age 21 | For  Full Pension [1] [2] | For  Part Pension [2] |
| Single | up to $172.00 | less than $2,040.80 |
| Couple combined | up to $308.00 | less than $3,122.00 |
| Illness separated, couple combined | up to $308.00 | less than $4,041.60 |
| Under Age 21 (No Children) | | |
| Single, dependent, 16-17 years of age | up to $174.00 | less than $956.20 |
| Single, dependent, 18-20 years of age | up to $174.00 | less than $1,058.80 |
| Single, independent, 16-20 years of age | up to $174.00 | less than $1,374.60 |
| Couple combined, 16-20 years of age | up to $308.00 | less than $2,696.80 |

Notes

|  |  |
| --- | --- |
| [1] | Income over these thresholds reduces the rate of pension payable by 50¢ in the dollar for singles and 25¢ in the dollar each for couples.  For transitional pensions or saved cases, income over these thresholds reduces the rate of pension payable by 40¢ in the dollar for singles and 20¢ in the dollar each for couples. |
| [2] | Per Fortnight |

Under the Assets test, a person may own a certain level of assessable assets before their pension is reduced. The value of a person’s home is an exempt asset.

The Asset Test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Assets Test | | |
| Homeowners [1] | | |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |
| Family Situation | For Full  Pension [2] | For Part  Pension |
| Single | up to $473,750 | less than $785,000 |
| Couple combined | up to $605,000 | less than $1,074,000 |
| Illness separated, couple combined | up to $605,000 | less than $1,227,500 |
| One partner eligible, combined assets | up to $605,000 | less than $1,074,000 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |
| [2] | Assets over these amounts reduce the pension payable by $3 per fortnight for every $1,000.00 above the limit (single and couple combined). |

|  |  |  |
| --- | --- | --- |
| Assets Test – Under Age 21 (No Children) | | |
| Family Situation | Homeowners [1] | Non-Homeowners |
| Single, dependent, 16-17 years of age | up to $393,750 | up to $604,250 |
| Single, dependent, 18-20 years of age | up to $410,750 | up to $621,250 |
| Single, independent, 16-20 years of age | up to $463,500 | up to $674,000 |
| Couple combined, 16-20 years of age | up to $793,000 | up to $1,003,500 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |

### Family Tax Benefit

Families are able to take their payments either fortnightly or as a lump sum after the end of the financial year. If a family wants fortnightly payments, they are paid on the family’s estimated taxable income for the year. At the end of the financial year, the family’s estimate is reconciled with their actual taxable income to ensure that they are paid the same amount had they received the payment as a lump sum instead.

If there is an increase in the family’s income, the payment is changed to reflect the new estimate. Overpayments are dealt with at the end of the financial year as a part of reconciliation.

**Family Tax Benefit Part A**

Family Tax Benefit Part A is a payment to help families with the cost of raising children.

Family Tax Benefit Part A is paid for each child. The amount you get is based on your family’s individual circumstances.

You may be eligible for Family Tax Benefit Part A if you care for a dependent child who is:

|  |  |
| --- | --- |
| * Aged 0-15 years; or | |
| * Aged 16–19 years, paid until the end of the calendar year in which they turn 19: | |
|  | * And undertaking full-time secondary study |
|  | * Or has been granted an exemption from education or training requirements. |

You also need to satisfy an income test, meet residence requirements and be caring for the child at least 35 per cent of the time.

Your payments will stop when your child reaches a certain age and study level. If your child is aged 16–19 years, and:

|  |
| --- |
| * They complete Year 12 or an equivalent qualification before November, payments will stop 28 days after they have completed school; |
| * They complete Year 12 or an equivalent qualification in November or December, payments will stop on 31 December; or |
| * They are 19 years old and still in full-time secondary study, payments will stop on 31 December. |

If you are eligible for Family Tax Benefit Part A for a child who is born or adopted on or after 1 March 2014, you may also be eligible for the Newborn Upfront Payment and Newborn Supplement.

Newborn Supplement is a component of Family Tax Benefit Part A, paid over a 3-month period with your regular fortnightly Family Tax Benefit Part A payment. It is not available when receiving Paid Parental Leave Pay.

**Immunisation requirements for Family Tax Benefit Part A supplement**

Children need to be ‘fully immunised’, be on a recognised immunisation catch up schedule, or have an approved exemption to be eligible for the Family Tax Benefit Part A supplement for that period.

**Family Tax Benefit Part A - Residential Qualifications**

The residential qualifications for the Family Tax Benefit Part A are as follows:

|  |
| --- |
| * Parent/guardian must be an Australian citizen or holder of a permanent visa |
| * A New Zealand citizen who arrived on a New Zealand passport |
| * A holder of certain specified temporary visas |
| * Child must be an Australian resident or dependent child of a resident and living with that person. |

More than the base rate of Family Tax Benefit Part A can only be paid for up to 6 weeks of a temporary absence.

**Family Tax Benefit Part A - Income Test**

The maximum rate for Family Tax Benefit Part A is paid up to a family income of $51,903. If the family’s taxable income is more than $51,903 for this financial year, the payment will reduce by 20 cents for every dollar above $51,903, until the payment reaches the base rate of Family Tax Benefit Part A. The Family Tax Benefit Part A will stay at that rate until the family’s taxable income reaches $94,316 per annum. Family Tax Benefit Part A will then reduce by 30 cents for every dollar over that amount until you are no longer entitled to a payment.

**Family Tax Benefit Part A – Maximum Rates**

Effective 20 September 2019, the maximum rates of Family Tax Benefit Part A are as follows:

|  |  |  |
| --- | --- | --- |
| Maximum Rates of Payment | | |
| Status | Maximum Benefit  Per Fortnight | Maximum Benefit  Per Year [1] |
| Aged under 13 years | $186.20 | $5,621.00 |
| Aged 13–15 years | $242.20 | $7,081.00 |
| Aged 16–19 years, secondary student, or exempt from requirement | $242.20 | $7,081.00 |
| Aged 0-19 years, In an approved care organisation | $59.78 | $1,558.55 |

Notes

|  |  |
| --- | --- |
| [1] | Maximum per annum figures include the Family Tax Benefit Part A supplement ($766.50 per child). |

The base rates of Family Tax Benefit Part A are as follows:

|  |  |  |
| --- | --- | --- |
| Base Rates of Payment | | |
| Status | Maximum Benefit  Per Fortnight | Maximum Benefit  Per Year |
| For each child, 0-19 years of age | $59.78 | $2,325.05 |

**Family Tax Benefit Part B**

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

The basic conditions of eligibility for the Family Tax Benefit Part B are:

|  |
| --- |
| * Your family must have a dependent child under 13, or * You have a child aged 13 to 15 and are a single parent, grandparent or great-grandparent, or |
| * You have a full-time student between the ages of 16 and 18 (who does not get Youth Allowance or a similar payment) and are a single parent, grandparent or great-grandparent, and * Your family must care for the child for at least 35 percent of the time. |

There is no asset test for FTB Part B, however and income test applies.

**Family Tax Benefit Part B - Income Test**

FTB Part B is limited to families where the higher income earner in a couple, or sole parent, has an income of $100,000 per year or less. However, if you receive an income support payment from Centrelink or the Department of Veterans’ Affairs this income limit does not apply.

For partnered people, secondary earners must have income under a certain amount to qualify. If the income is above $5,694 per annum, payments are reduced by 20 cents for every extra dollar of income.

**Family Tax Benefit Part B - Maximum Rates**

The rates that are payable for Family Tax Benefit Part B are as follows:

|  |  |  |
| --- | --- | --- |
| Rates of Payment | | |
| Age of Youngest Child | Maximum Benefit  Per Fortnight | Maximum Benefit  Per Year [1] |
| Under 5 years | $158.34 | $4,500.45 |
| 5-15 years (or until the end of the calendar year the child turns 18 years if a full-time secondary student) | $110.60 | $3,255.80 |

Notes

|  |  |
| --- | --- |
| [1] | Per annum figures include the Family Tax Benefit Part B supplement ($365 per family). |

Family Tax Benefit Part B is not subject to an assets test.

Residential qualifications are the same as for Family Tax Benefit Part A with the exception that Family Tax Benefit Part B can only be paid for up to 6 weeks of a temporary absence.

### Gifting

Under current Centrelink rules, you are able to gift cash or assets to another person within specified limits without affecting your Centrelink entitlements.

There are two concurrent rules, which specify the assessment of gifts by Centrelink:

|  |
| --- |
| * You are able to gift up to $10,000 (for a single or couple combined) per financial year without affecting your level of benefit. Any gift in excess of this limit is considered to be a deprived asset and is means tested (under both the Assets and Income tests) for five years. |
| * You are able to gift a total of $30,000 over any five-year rolling period. Any gift in excess of this limit is considered to be a deprived asset and is means tested (under both the Assets and Income tests) for five years. |

### Job Seeker Payment

See New Text - Appendix #3

### Parenting Payment

You may qualify for Parenting Payment, either as a parent, grandparent or foster carer, where:

|  |
| --- |
| * You are single and have at least one child aged under 8 who is wholly or substantially in your care and who is in Australia (or temporarily overseas for less than 13 weeks). Note: You will have part-time participation requirements from when your youngest child reaches age 6. |
| * You are partnered and have at least one child aged under 6 who is wholly or substantially in your care and who is in Australia (or temporarily overseas for less than 6 weeks). |
| * Your and/or your partner's (if you have one) income and assets are below a certain amount, and |
| * You meet residency requirements. |

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment for the Parenting Payment are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Maximum  Pension Rate [1] [2] |
| Single | $780.70 per fortnight |
| Partnered | $504.70 per fortnight |
| Partnered (Illness Separated) | $604.70 per fortnight |

Notes

|  |  |
| --- | --- |
| [1] | A Pension Supplement amount is included in this fortnightly rate. For those under Age Pension age, it is currently $23.90. A higher Pension Supplement amount may be paid if the person has reached Age Pension age. |
| [2] | In addition to the pension payment, you may be entitled to a Pharmaceutical Allowance of $6.20 per fortnight for a single person or $3.10 per fortnight for each member of a couple. |

**Income & Assets Tests**

Parenting payments are subject to an Income and Assets test and are taxable.

The Income test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | For Full Allowance  (Per Fortnight) | For Part Allowance  (Per Fortnight) |
| Single [1] | up to $188.60 | less than $2,170.35 |
| Partnered - combined (Partner is not a pensioner) [2] | up to $104.00 | less than $1,967.34 |
| Partnered – combined (Partner is a pensioner) [3] | up to $208.00 | less than $1,966.68 |

Notes

|  |  |
| --- | --- |
| [1] | For maximum payment, the recipient’s income must be no more than $188.60 per fortnight, plus $24.60 for each additional child. Income over this amount reduces the rate of payment by 40¢ in the dollar.  A part payment may be available if the recipient’s income is less than $2,139.85 per fortnight, plus $24.60 for each additional child. This amount may be higher if you are eligible for Pharmaceutical Allowance. |
| [2] | For maximum payment, the recipient’s income must be no more than $104.00 per fortnight and the partner’s income must be no more than $984.00 per fortnight.  Recipient’s income reduces the rate by 50¢ for each dollar between $104.00 and $254.00, and by 60¢ for each dollar above $254.00 per fortnight.  Partner’s income up to $984.00 per fortnight has no effect. Income over this amount reduces the rate by 60¢ for each extra dollar.  A part payment may be available provided all of the following conditions are met: (1) recipient’s income must be less than $984.00 per fortnight, (2) partner’s income must be less than $1,838.33 per fortnight; and (3) the combined income of the couple must be less than $1,967.34 per fortnight. |
| [3] | For maximum payment, the couple’s combined income must be no more than $208.00 per fortnight.  Couple’s combined income reduces the rate by 25¢ for each dollar between $208.00 and $508.00, and by 30¢ for each dollar above $508 per fortnight.  For part payment, the couple’s combined income must be less than $1,966.68 per fortnight. |

Under the Assets test, a maximum limit is placed on the level of assets a person may own before their entitlement is cancelled. The value of a person’s home is an exempt asset.

The Asset test thresholds are outlined below.

|  |  |  |
| --- | --- | --- |
| Assets Test [1] | | |
| Family Situation | For Full Allowance  Homeowners | For Full Allowance  Non-Homeowners |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |

### Pension Bonus Scheme \_ closed to new Entrants from 2014

The Pension Bonus Scheme was a tax-free lump sum bonus for people who work past Age Pension age and defer claiming the Age Pension. It could not be paid if a person had received income support (except Carer Allowance) since meeting age and residency criteria for Age Pension purposes.

A person needed to register within 13 weeks of reaching age pension age. To become a member of the Scheme a person must first have qualified for the Age Pension.

The amount of bonus payable was a multiple of the person’s annual basic pension when they were granted Age Pension and the length of time they continued to work after turning Age Pension age.

To get a bonus, a person accrued between 1 and 5 bonus periods while deferring the Age Pension. Generally, a bonus period ran for one year. To accrue a bonus period, the person passed the work test for that period. A person could not accrue a bonus after age 75.

A person had to work a minimum of 960 hours of paid work each year for a minimum of 12 months from registration.

The amount of bonus paid was based on how long a person had deferred the pension after the date of registration, the rate of pension payable at the date of claim and if the person was partnered.

The maximum applicable bonuses at 20 September 2019:

|  |  |  |
| --- | --- | --- |
| **Bonus Year** | **Single** | **Partnered (Each)** |
| 1 | $2,136.80 | $1,614.80 |
| 2 | $8,547.20 | $6,459.00 |
| 3 | $19,231.10 | $14,532.80 |
| 4 | $34,188.60 | $25,836.00 |
| 5 | $53,419.70 | $40,368.80 |

The Pension Bonus Scheme is closed to new entrants. Existing members of the scheme are not affected, and they continued to accrue entitlements. The new ‘Work Bonus’ has effectively replaced the Pension Bonus Scheme for new Centrelink clients

Sickness Allowance \_ To be closed to new entrants 20 March 2020

From 20 March 2020, only pre-existing recipients of this benefit will be eligible for ongoing payments. After this time, temporarily incapacitated applicants will be provided for under a new JobSeeker Payment benefit.

The Sickness Allowance is a government support benefit which is paid to a person who is over 22 years of age but under Age Pension age. To qualify for the Sickness Allowance, please note the following conditions of eligibility:

|  |
| --- |
| * You must be temporarily incapacitated for work (or full-time study and on Austudy or ABSTUDY). |
| * You must have a job or full-time study to which you can return. |
| * A medical certificate from a qualified medical practitioner must be supplied. |
| * You must be an Australian resident. |

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Full Allowance Rate |
| Single, no dependent children | $559.00 per fortnight |
| Single, with dependent children | $604.70 per fortnight |
| Single, aged 60 or over, after nine continuous months on payment | $604.70 per fortnight |
| Single, Principal carer of a dependent child granted an exemption from mutual obligation requirements for foster caring/non-parent relative caring under a court order/home schooling/distance education/large family [1] | $780.70 per fortnight |
| Member of a couple | $504.70 per fortnight |

|  |  |
| --- | --- |
| [1] | Income between $104.00 and $254.00 per fortnight reduces your allowance entitlement by 50¢ in the dollar. Income above $254.00 per fortnight reduces your allowance entitlement by 60¢ in the dollar. Partner income which exceeds cut-out point reduces fortnightly allowance by 60¢ in the dollar. |

**Income & Assets Tests**

In addition to the above eligibility criteria, Sickness Allowance is subject to the income and assets tests. These tests are used to determine the amount of payment to which a person is entitled. The test that results in the lowest rate of payment is the test which applies.

The Income test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | For Full Allowance  (Per Fortnight) [1] | For Part Allowance  (Per Fortnight) [1] |
| Single, no children | up to $104 | less than $1,075.34 |
| Single, with dependent children | up to $104 | less than $1,152.67 |
| Single, principal carer, with dependent children [2] | up to $104 | less than $1,639.50 |
| Single, principal carer of a dependent child (exempt for foster caring/home schooling/distance education/large family) [2] | up to $104 | less than $2,085.75 |
| Single, aged 60 or over, after 9 months | up to $104 | less than $1,163.00 |
| Member of a couple | up to $104 | less than $983.34 |

Notes

|  |  |
| --- | --- |
| [1] | For maximum payment, the recipient's income must be no more than $104 per fortnight. Income over this amount reduces the rate of payment by 40¢ in the dollar. |

The entitlement ceases when the person’s income reaches the relevant cut out threshold.

The Asset test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Assets Test [1] | | |
| Family Situation | For Full Allowance  Homeowners | For Full Allowance  Non-Homeowners |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |

Under the Assets test a person can receive up to the maximum rate of Sickness Allowance if the value of assessable assets is less than or equal to the cut-out threshold. Assessable assets with a value in excess of this limit will result in the cancellation of allowance payments.

### Widow Allowance – Closed to new entrants from 1 July 2018

You may get Widow Allowance if you are a woman who:

|  |  |
| --- | --- |
| * ▪ | * Was born on or before 1 July 1955. |
| * ▪ | * Not a member of a couple. |
| * ▪ | * Has become widowed, divorced or separated (including separated de facto) since turning 40. |
| * ▪ | * Has no recent workforce experience - that is you haven't worked at least 20 hours a week for 13 weeks or more in the last year. |
| * ▪ | Is an Australian resident, in Australia and not subject to the two year newly arrived residents waiting period?   * Satisfies one of the qualifying residence rules for Widow Allowance. |
| * ▪ | * Has income and assets below a certain amount. |

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Full Allowance Rate |
| Single, no dependent children | $559.00 per fortnight |
| Single, with dependent children | $604.70 per fortnight |
| Single, aged 60 or over, after nine continuous months on payment | $604.70 per fortnight |
| Single, Principal carer of a dependent child granted an exemption from mutual obligation requirements for foster caring/non-parent relative caring under a court order/home schooling/distance education/large family [1] | $780.70 per fortnight |
| Member of a couple | $504.70 per fortnight |

Notes

|  |  |
| --- | --- |
| [1] | In addition to the pension payment, you may be entitled to a Pharmaceutical Allowance of $6.20 per fortnight for a single person or $3.10 per fortnight for each member of a couple. |
|  |  |

**Income & Assets Tests**

The Widow Allowance is subject to the income and assets tests. These tests are used to determine the amount of payment to which a person is entitled. The test that results in the lowest rate of payment is the test which applies.

The Income test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | For Full Allowance  (Per Fortnight) [1] | For Part Allowance  (Per Fortnight) [1] |
| Single, no children | up to $104 | less than $1,075.34 |
| Single, with dependent children | up to $104 | less than $1,152.67 |
| Single, principal carer, with dependent children [2] | up to $104 | less than $1,639.50 |
| Single, principal carer of a dependent child (exempt for foster caring/home schooling/distance education/large family) [2] | up to $104 | less than $2,085.75 |
| Single, aged 60 or over, after 9 months | up to $104 | less than $1,163.00 |
| Member of a couple | up to $104 | less than $983.34 |

Notes

|  |  |
| --- | --- |
| [1] | For maximum payment, the recipient's income must be no more than $104 per fortnight. Income over this amount reduces the rate of payment by 40 cents in the dollar. |
|  |  |
|  |  |

The entitlement ceases when the person’s income reaches the relevant cut out threshold.

The Asset test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Assets Test [1] | | |
| Family Situation | For Full Allowance  Homeowners | For Full Allowance  Non-Homeowners |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |

Under the Assets test a person can receive up to the maximum rate of Widow Allowance if the value of assessable assets is less than or equal to the cut-out threshold. Assessable assets with a value in excess of this limit will result in the cancellation of allowance payments.

### Youth Allowance

Youth Allowance is a government support payment intended to assist:

|  |  |  |
| --- | --- | --- |
| * ▪ | * Full time students and Australian Apprentices aged 16-24 years | |
| * ▪ | * Students and Australian Apprentices aged 25 years and over, getting Youth Allowance immediately before turning 25 years and remaining in the same course of study or and Australian Apprenticeship. | |
| * ▪ | * Job seekers, aged under 22 years of age who are looking for work or combining part-time study with job search, or undertaking any other approved activity, or temporarily incapacitated for work or study. | |
| * ▪ | * Young people under 22 years of age without a Year 12 or equivalent qualification will usually need to: | |
|  | * ▪ | * Participate in education and training full-time; or |
|  | * ▪ | * Independent, aged 15 and above the school leaving age in their state who are satisfying or exempt from the activity test. |

**Rates of Payment**

Effective 20 September 2019, the basic rates of payment are:

|  |  |
| --- | --- |
| Basic Rates of Payment | |
| Status | Basic Allowance Rate |
| Single, 16-17 years of age, no dependent children:  - Living at home  - Living away from home [1] | $249.20 per fortnight  $455.20 per fortnight |
| Single, 18-24 years of age, no dependent children:  - Living at home  - Living away from home [1] | $299.80 per fortnight  $455.20 per fortnight |
| Single, with dependent children [1]:  - Single with dependent children  - Principal carer of a dependent child granted an exemption from mutual obligation requirements for foster caring/non-parent relative caring under a court order/home schooling/distance education/large family | $596.50 per fortnight  $780.70 per fortnight |
| Member of a couple:  - No dependent children [1]  - With dependent children [1] | $455.20 per fortnight  $499.90 per fortnight |
| Special rates for long-term income support recipients [2]:  - Single, living at home  - Single, living away from home  - Member of a couple, no dependent children | $367.80 per fortnight  $553.10 per fortnight  $499.90 per fortnight |

Notes

|  |  |
| --- | --- |
| [1] | Rent Assistance may be payable. |
| [2] | For long-term income support recipients who either commence full-time study or an Australian Apprenticeship, having been in receipt of an income support payment for at least six out of the last nine months since turning 22, or who study an approved course in English where English is not their first language. |

**Assets Tests**

If the person applying for the Youth Allowance is independent, a personal Asset Test applies as follows:

|  |  |  |
| --- | --- | --- |
| Assets Test [1] | | |
| Family Situation | For Full Allowance  Homeowners | For Full Allowance  Non-Homeowners |
| Single | up to $263,250 | less than $574,500 |
| Couple combined | up to $394,500 | less than $863,500 |
| Illness separated, couple combined | up to $394,500 | less than $1,017,000 |
| One partner eligible, combined assets | up to $394,500 | less than $863,500 |

Notes

|  |  |
| --- | --- |
| [1] | Your home is excluded from the assets test. |

**Parental Income Test**

If a person applying for Youth Allowance is considered dependent then a parental Income test applies:

|  |
| --- |
| * Rate reduces if parent’s income exceeds threshold of $53,728. |
| * Rate reduces by 20¢ for every $1.00 over the threshold. |
| * The rate payable will be dependent upon parental income test and a personal income test. |
| * The parental income and assets tests do not apply if the parent(s) receive a designated income support payment through Centrelink or the Department of Veterans’ Affairs. |

If a person applying for Youth Allowance is considered dependent then a parental Income test applies:

**Personal Income Test**

A personal income test applies to the person applying for Youth Allowance:

|  |  |
| --- | --- |
| * ▪ | * Gross income is assessed. |
| * ▪ | * The first $8,223 of a merit and equity-based scholarship is exempt from means-testing. |
| * ▪ | * There is an income-free area of $143 per fortnight for job seekers and $437 per fortnight for students and Australian Apprentices. |
| * ▪ | * Income above the income-free area reduces payment unless credit in Income Bank (for students and Australian Apprentices) or Working Credit. |

At 20 March 2019, the personal income test thresholds are outlined below:

|  |  |  |
| --- | --- | --- |
| Income Test | | |
| Family Situation | **For Full Allowance**  **(Per Fortnight) [1]** | **For Part Allowance**  **(Per Fortnight) [1]** |
| **Single, aged under 18, at home:** |  |  |
| * Students & Australian Apprentices | up to $437 | less than $873.34 |
| * Job Seekers | up to $143 | less than $582.67 |
| **Single, aged 18 or over, at home:** |  |  |
| * Students & Australian Apprentices | up to $437 | less than $958.84 |
| * Job Seekers | up to $143 | less than $668.17 |
| **Single or partnered, no dependants, away from home:** |  |  |
| * Students & Australian Apprentices | up to $437 | less than $1,221.84 [2] |
| * Job Seekers | up to $143 | less than $931.17 [2] |
| **Partnered, with dependants:** |  |  |
| * Students & Australian Apprentices | up to $437 | less than $1,297.50 [2] |
| * Job Seekers | up to $143 | less than $1,006.84 [2] |
| **Single, with dependants:** |  |  |
| * Students & Australian Apprentices | up to $437 | less than $1,461.00 [2] |
| * Job Seekers | up to $143 | less than $1,170.34 [2] |
| * Single, principal carer of a dependent child (exempt for foster caring/home schooling/distance education/large family) | up to $143 | less than $1,482.00 [2] |
| * Single, long-term unemployed aged 22 or over, undertaking full-time study or Australian Apprenticeship, at home | up to $437 | less than $1,074.00 |
| * Single, long-term unemployed aged 22 or over undertaking full-time study or Australian Apprenticeship, away from home | up to $437 | less than $1,387.67 [2] |
| * Partnered, long-term unemployed, no dependants, aged 22 or over undertaking full-time study or Australian Apprenticeship, no children | up to $437 | less than $1,297.50 [2] |

Notes

|  |  |
| --- | --- |
| [1] | For job seekers, fortnightly income between $143.00 and $250.00 reduces fortnightly allowance by 50¢ in the dollar. Income above $250 reduces payment by 60¢ in the dollar.  For students and Australian Apprentices, fortnightly income between $437.00 and $524.00 reduces the fortnightly allowance by 50¢ in the dollar. Income above $524.00 reduces payment by 60¢ in the dollar. For students and Australian Apprentices, the income test is subject to Income Bank credit.  In general, partner income which exceeds the cut-out point reduces fortnightly allowance by 60¢ in the dollar. However, the cut-out point varies for individuals depending on their circumstances. |
| [2] | These figures may be higher if you are eligible for Rent Assistance or Pharmaceutical Allowance. |

## Centrelink Concession Cards

### Commonwealth Seniors Health Card

The Commonwealth Seniors Health Card (CSHC) provides non-pensioners of Age Pension age access to concessionally priced prescription medicines provided through the Pharmaceutical Benefits Scheme (PBS) and certain Medicare services.

**From 1 January 2015, the deemed income on an Account Based Pension (ABP) was included in the adjusted taxable income for the purposes of testing a person’s eligibility for Commonwealth Seniors Health Card (CSHC):**

|  |
| --- |
| * Grandfathering was applicable for those people who then already held a CSHC and were drawing an income from an ABP. To remain grandfathered, they must have continued that same account-based pension and remained continuously eligible for the card. |
| * Grandfathering remains for an ABP which reverts to a beneficiary. |

The CSHC is not assets tested but is subject to an income test, as follows:

|  |  |
| --- | --- |
| Income Test | |
| Family Situation | Adjusted Taxable Income  Limit [1] |
| Single | $55,808 per annum |
| Couple (Combined) | $89,290 per annum |
| Couple, Illness Separated (Combined) | $111,616 per annum |

Notes

|  |  |
| --- | --- |
| [1] | Adjusted taxable income includes: taxable income, total net investment losses, target foreign income, fringe benefits, salary sacrificed amounts to superannuation, deemed income calculated using account-based pension balances. This limit is increased by $639.60 for each dependent child you care for. |

You may also be entitled to extra concessions from state and local government authorities. Concessions from state and local government authorities may include:

|  |
| --- |
| * Reductions in property and water rates. |
| * Reductions in energy bills. |
| * Quarterly Telephone Allowance. |
| * Reduced fares on public transport. |
| * Reductions on motor vehicle registration. |
| * One or more free rail journeys within the state each year. |

### Health Care Card

The Health Care Card (HCC) provides access to concessionally priced prescription medicines provided through the Pharmaceutical Benefits Scheme (PBS).

In addition, holders of the HCC may receive other benefits such as reduced health care costs (including ambulance, dental care and eye care), reduced public transport costs, reduced water rates and reduced energy bills. These extra concessions are provided by state and local government authorities so will vary from state to state.

The HCC is automatically issued to recipients of certain Centrelink benefits irrespective of income levels, including Newstart Allowance, Partner Allowance, Sickness Allowance, Youth Allowance, Parenting Payment, Carer Payment and to those whose family income is below the Family Tax Benefit Part A lower income free threshold.

### Pensioner Concession Card (PCC)

The Pensioner Concession Card (PCC) is issued to all recipients of Centrelink pensions (including the Age Pension and the Disability Support Pension) as well as recipients of some Centrelink allowances (including Newstart, Parenting Payment, Youth Allowance, Partner Allowance).

Holders of the PCC receive the following concessions:

|  |  |
| --- | --- |
| * ▪ | * Free mail redirection from Australia Post when changing address. |
| * ▪ | * Quarterly Telephone Allowance |
| * ▪ | * Free eyesight test from optometrists who bulk bill Medicare. |
| * ▪ | * Hearing aids through the Commonwealth Hearing Services Program |
| * ▪ | * Reduced cost medicines through the Pharmaceutical Benefits Scheme. |
| * ▪ | * Various state and local government concessions, including reduced property and water rates, reduced energy bills, reduced public transport costs and reduced motor vehicle registration charges. |

## Department of Veterans' Affairs Payments

### DVA Age/ Invalidity Service Pension

You are eligible for a ‘service pension’ if you are a veteran who has rendered qualifying service, and you:

* have reached pension age (60), or
* are permanently incapacitated for work.

Commonwealth veterans, allied veterans and allied mariners must also have been an Australian resident for a certain period to be eligible.

The residency requirements do not apply to refugees.

The Invalidity Service Pension may be payable if:

|  |  |
| --- | --- |
| * ▪ | * The person, of any age, has a permanent incapacity for work of at least 85%, or is permanently blind in both eyes; or |
| * ▪ | * If the veteran is in receipt of the Special Rate (also known as TPI) Disability Pension, they are automatically eligible for Invalidity Service Pension.   If a person does not meet any of the conditions for automatic acceptance, one needs to have a disability, (this can include a non-service-related disability), that permanently prevents you from working.  This means that:   * you have a disability that results in a combined impairment rating of 40 points or more using the Guide to the Assessment of Rates of Veterans’ Pensions (GARP); and * the disability is permanent; and * the incapacity from the disability alone, permanently prevents you from working for periods adding up to more than 8 hours per week.   From the information that we have been provided, we believe that you are eligible for the TPI Pension. **If applicable only** |

If you are between 60 and 65 and are permanently incapacitated for work, you may be paid an invalidity service pension even though you are also eligible for age service pension.  The advantage of this is that invalidity service pension is not subject to income tax while age service pension is taxable.

The maximum rates of service pension, including pension supplement, are as follows:

|  |  |
| --- | --- |
| Singles rate | $933.40 |
| Illness separated rate (each) | $933.40 |
| Couples rate (each) | $703.50 |

Once you reach ‘social security’ Age Pension Age, you are no longer eligible for invalidity service pension and you will be paid age service pension.  If you have been receiving invalidity service pension it will become subject to income tax.

**Age Pension Age – social security definition**

Men and women are eligible at age 65 if born before 1 July 1952.

For both men and women born on or after 1 July 1952:

|  |  |
| --- | --- |
| People born between | Eligible for Age Pension at age |
| 1 July 1952 to 31 December 1953 | 65.5 |
| 1 January 1954 to 30 June 1955 | 66.0 |
| 1 July 1955 to 31 December 1956 | 66.5 |
| On or after 1 January 1957 | 67.0 |

Income support pensions, including age service pension and invalidity service pension, are subject to income and assets tests.  The rate of pension that is paid depends on the amount of income you receive and the assets you have.

You will need to consult with your local Department of Veterans' Affairs office for a true determination of your DVA entitlements.

### DVA Partner Service Pension

Partner service pension is the payment made to eligible partners, former partners and widows/widowers of veterans.

| **Partner age requirements** | **Conditions** |
| --- | --- |
| **No age requirement** | * 1. you have a dependent child or children when the claim for partner service pension is made; or * 2. your veteran partner receives the Totally and Permanently Incapacitated (T&PI) special rate disability pension under the Veterans’ Entitlements Act 1986 (VEA); or * 3. your veteran partner is receiving or eligible to receive a Special Rate Disability Pension (SRDP) under the Military Rehabilitation and Compensation Act 2004 |
| **50 years of age or over** | * Your veteran partner receives an Above General Rate (AGR) disability pension under the Veterans’ Entitlements Act (VEA) or Military Rehabilitation & Compensation Act (MRCA)   That is:   * extreme disablement adjustment under subsection 22(4) of the VEA; * intermediate rate under section 23 of the VEA; * temporary special rate under section 25 of the VEA; * disability pension increased by a Specific Disability Amount specified in table items 1–6 of the table in subsection 27(1) of the VEA; or * your veteran partner has at least 80 impairment points as per subsection 80(1) of the MRCA. |
| **Qualifying age (60) or over**  **Age Pension Age** | * Qualifying Age is 60 for a male or female. * Some partner service pension claimants need to be eligible for an age pension from Centrelink.  To be eligible for an age pension from Centrelink you must be of age pension age:  |  |  | | --- | --- | | **If your date of birth is on or between:** | **Then your pension age is:** | | Before 1 July 1952 | 65 years | | 1 July 1952 to 31 December 1953 | 65 years and 6 months | | 1 January 1954 to 30 June 1955 | 66 years | | 1 July 1955 to 31 December 1956 | 66 years and 6 months | | On or after 1 January 1957 | 67 years | |

The maximum rates of service pension, including pension supplement, are as follows:

|  |  |
| --- | --- |
| Singles rate | $933.40 |
| Illness separated rate (each) | $933.40 |
| Couples rate (each) | $703.50 |

The partner service pension, received by the partner of an invalidity service pensioner, is also non-taxable until the veteran or the partner reaches age pension age. Partner service pension paid to a former partner is taxable.

### DVA War Widow(er) Pension & Income Support Supplement

To be granted this type of pension, you must have been a person who was legally married to, or was in a de facto relationship with, an Australian veteran immediately before the veteran’s death and has not since remarried, married or entered into a de facto relationship with another person.

A pension will be granted to a dependant **automatically**, without regard to whether the death was caused by war or eligible defence service, if the veteran was:

* an ex-prisoner of war, or
* receiving the Extreme Disablement Adjustment, or
* receiving a disability pension at the Special Rate (including a veteran who was in receipt of a Special Rate disability pension for blindness in both eyes), or
* receiving a disability pension at the Intermediate Rate, or
* receiving a disability pension at the Temporary Special Rate, or
* receiving a disability pension at an increased rate

At 20 September 2019, the rate is $949.10 per fortnight including the Energy Supplement.

War widow pension is not assets tested or income tested. Pension payments are not taxable.

**Income Support Supplement**

War widows or widowers who have limited means to support themselves may also be entitled to receive an Income Support Supplement (ISS). It is a taxable payment. To be eligible for ISS a person must:

|  |
| --- |
| * Be a war widow or widower; |
| * Be an Australian resident; and |
| * Be in Australia at the time of lodging the claim. * No age requirement. |

If you are eligible for an Australian war widow(er)'s pension but receive a war widow(er)'s pension from another country, you may be eligible for ISS.

However, ISS is not payable if you are the recipient of a war widow(er)'s pension paid by a country other than Australia and you do not have eligibility for an Australian war widow's or widower's pension.

At 20 March 2019, the maximum ISS that can be granted in addition to the War Widow’s Pension is $280.80 per fortnight. ISS is asset and income tested (and the amount of the War Widow Pension is included in the assessed income).

To receive the maximum rate of ISS, income (including the Widows Pension), must be less than:

* singles — $1,451.00 per fortnight
* couples — $1,956.40 per fortnight, combined.
* Illness separated couple (combined $2,862.00

To receive the maximum rate of ISS, assets must be less than:

|  |  |  |
| --- | --- | --- |
|  | **LOW LIMIT** (home owners) | **HIGH LIMIT** (non-home owners) |
| Singles | $476,250 | $686,750 |
| Couples - combined | $669,500 | $880,000 |
| Illness separated - combined | $820,500 | $1,031,000 |