

## Standard Information on Child Care Benefit and Child Care Rebate

### Child Care Assistance

The Australian Government is committed to providing families with access to high quality, affordable child care and provides families with financial assistance to help cover the cost of approved child care through the Child Care Benefit and Child Care Rebate.

### Child Care Benefit

The Child Care Benefit is income tested and is usually paid directly to approved child care services to reduce the fees that eligible families pay.

*Who is eligible for the Child Care Benefit?*

- Your child must be attending approved child care or registered child care.
- You or your partner must be an Australian citizen, a permanent resident living in Australia or be exempted from the Australian Government's residency requirements.
- Children under seven years of age must meet the Australian Government's immunisation requirements or have an exemption.
- You must be the person responsible for paying the child care fees.
- You can apply for the Child Care Benefit in person or online through the Department of Human Services.

### Child Care Rebate

The Child Care Rebate is an additional payment to the Child Care Benefit which helps families cover the out-of-pocket costs of child care. It is not income tested and covers up to 50 per cent of out-of-pocket child care costs, up to an annual cap, which at July 2013 is \$7,500 per child. Out-of-pocket child care costs are calculated after deducting any Child Care Benefit payments that are received. Families can also choose for the rebate to be paid directly to an approved child care service to reduce the child care fees that eligible families pay.

*Who is eligible for the Child Care Rebate?*

- You and your partner (if applicable) must have had work, training, study related commitments (or have an exemption) at some time during a week.
- You must be using approved child care.
- You or your partner must meet the residency and child's immunisation requirements.
- You must be the one responsible for your child care costs. If your employer contributes to your child care through salary sacrificing or packaging, you should discuss with them who is responsible for the cost.

Even if your family's income is too high for you to receive the Child Care Benefit you may be eligible for the Child Care Rebate.

### How to claim the Child Care Rebate

- You will need to apply for the Child Care Benefit first. There is no separate claim form for the Child Care Rebate.
- You will automatically be assessed and paid if you are eligible when you apply for the Child Care Benefit (even if you are assessed at a zero rate for the Child Care Benefit due to your family's income).
- You can apply for the Child Care Benefit in person or online through the Department of Human Services.

### How much could you get?

To find out how much Child Care Benefit and Child Care Rebate you could receive, use the child care estimator online or call 13 6150.

Child Care assistance payments will be made once the Department of Human Services has received child care attendance details from your approved child care service/s.

### Examples of how Child Care Assistance works\*

#### **Nick and Kate**

- Nick and Kate both work full time and meet all of the eligibility requirements for Child Care Benefit however their family income is too high to receive any Child Care Benefit.
- Their first child, Ben, is aged 7 and is in Outside School Hours Care, which costs \$102.50 per week, \$4,920 over the year.
- Their second child, Sam, is aged 3 and is in Long Day Care, which costs, \$310 per week, \$14,880 over the year.
- They use 48 weeks of care in a financial year.

	<b>Ben</b>	<b>Sam</b>
<b>Total child care fees</b>	\$4,920	\$14,880
<b>Child Care Benefit entitlement</b>	\$0	\$0
<b>Out-of-pocket expenses</b>	\$4,920	\$14,880
<b>Child Care Rebate(= 50% of out of pocket expenses)</b>	\$2,460	\$7,440
<b>This means that child care fees are reduced by \$9,900 and Nick and Kate pay only \$9,900 over the year.</b>		

#### **James and Sally**

- James works full time and his partner Sally is studying. Their family income is \$65,000 which means they receive some Child Care Benefit.
- Their eldest child, David, is aged 8 and attends Outside School Hours Care, which costs \$105 per week, \$4,200 over the year.
- Their second child, Bella, is aged 4 and is in Family Day Care, which costs \$200 per week, \$8,000 over the year.
- They use 40 weeks of care in a financial year.

	<b>David</b>	<b>Bella</b>
<b>Total child care fees</b>	\$4,200	\$8,000
<b>Less Child Care Benefit entitlement</b>	\$1,790	\$7,000
<b>Out-of-pocket expenses</b>	\$2,410	\$1,000
<b>Child Care Rebate(= 50% of out of pocket expenses)</b>	\$1,205	\$500
<b>This means that child care fees are reduced by \$10,495 and James and Sally pay only \$1,705 over the year.</b>		

\*these examples should be used as a guide only and are based on 2013-2014 Child Care Benefit rates and income thresholds

For more information

Visit [australia.gov.au/mychild](http://australia.gov.au/mychild)