

Current

- Child Care Benefit
- Child Care Rebate

New

Child Care Subsidy
July 2018

Eligibility:

- Combined family income over \$350,000 may not be eligible
- Applied on a per child basis
- Children: must be 13 or under, not attending secondary school, or have exemption.

Level of subsidy – three things determine

1. Combined family income

Combined family income	Subsidy per cent of the actual fee charged (up to relevant percentage of the hourly rate cap)
Up to \$65,710 [^]	85 per cent
More than \$65,710 [^] to below \$170,710 [^]	Decreasing to 50 per cent*
\$170,710 [^] to below \$250,000 [^]	50 per cent
\$250,000 [^] to below \$340,000 [^]	Decreasing to 20 per cent*
\$340,000 [^] to below \$350,000 [^]	20 per cent
\$350,000 [^] or more	0 per cent

*Subsidy gradually decreases by 1 per cent for each \$3000 of family income.

2. Activity level of both parents Hours of activity / hours of subsidy

Step	Hours of activity (per fortnight)	Maximum number of hours of subsidy (per fortnight)
	Less than 8 hours (for a family earning up to \$65,710)	24 hours
1	8 hours to 16 hours	36 hours
2	More than 16 hours to 48 hours	72 hours
3	More than 48 hours	100 hours

3. Type of Child Care Service

When the subsidy commences the hourly rate caps will be:

Service type	Maximum hourly rate cap
Centre Based Long Day Care	\$11.55 [^]
Family Day Care	\$10.70 [^]
Outside School Hours Care	\$10.10 [^]
In Home Care	\$25.00 [^] (per family)

[^]Note: These provisions of the package will be increased by CPI for implementation in July 2018.

For families earning more than \$185,710[^], an annual subsidy cap of \$10,000[^] per child will apply.

Activities

Study:

- ✓ From a Certificate II to Bachelor degree
- ✓ A secondary course or preparatory course

Work:

- ✓ Paid work (including leave),
- ✓ unpaid work in a family business,
- ✓ looking for work,
- ✓ volunteering,
- ✓ self-employment

Activity test – requirements

- Two parent family – both must meet the test
- Parents meet different steps – lowest will determine hours
- Sole parent family – must meet the test

Hour calculation:

- Study: course contact hours + study outside course contact hours + breaks
- Work: working hours (paid/unpaid leave still counts)
- Provide consistent care On Carer Payment 100 hours per fortnight.

Not qualify for Carer Payment due to income/asset test

Exemptions of Activity Test

- ✓ Parent on Disability Pension
- ✓ Grandparents (primary carers for their grandchildren) with disability

Activity Test Detail

- ✓ Prior to a new financial year when parents provide income estimation;
- ✓ Self-declare the activity details to Department of Human Service (DHS);
- ✓ Activity details can be changed through MyGov whenever you need to;
- ✓ No evidence required except the requested random spot check from DHS.

No minimum hour of attendance required

- ✓ If you use more than one service, elect number of hours in each service, and approved service provider will then invoice you for your contribution to the cost of care.