



Information for families using child care

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

From 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 the amount of CCB they receive. However, instead of the rate reducing only down to a 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 \$111,000
- ⊙ 2 children in approved care: approximately \$119,000
- ⊙ 3 children in approved care: approximately \$135,000

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

- ⊙ 1 child in approved care: approximately \$126,000
- ⊙ 2 children in approved care: approximately \$131,000
- ⊙ 3 children in approved care approximately \$148,000

The actual CCB rates and thresholds will be available late May and will be clearly defined in the 2008-09 Child Care Benefit Ready Reckoner.

Will I still get the Child Care Tax Rebate?

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

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

Further details on eligibility criteria for 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. The contact details for the Family Assistance Office are listed below

Examples

The following table shows how much additional assistance families will receive as a result of the combined effect of the CCB and CCTR changes. The table covers families with 1, 2 or 3 young children using 50 hours of approved child care per week.

Combined Family Income	Total additional assistance		
	1 child in approved care	2 children in approved care	3 children in approved care
\$40,000	\$1,196	\$2,173	\$2,944
\$60,000	\$1,596	\$2,773	\$3,544
\$80,000	\$1,996	\$3,373	\$4,144
\$100,000	\$2,396	\$4,442	\$5,683
\$120,000	\$1,986	\$4,725	\$7,083
\$140,000	\$1,646	\$3,293	\$6,418
\$160,000	\$1,646	\$3,293	\$4,939

How can I get more information?

- Visit the Office of Early Childhood Education and Child Care at www.ocececc.gov.au
- Visit the Family Assistance Office at www.familyassist.gov.au
- Access Online Services at www.familyassist.gov.au
- Send an email through www.familyassist.gov.au
- Call 13 61 50* between 8am and 8pm (local time) Monday to Friday.
- Visit a Family Assistance Office near you. They are located in Medicare offices, Centrelink Customer Service Centres
- Call the Teletypewriter (TTY) Freecall™ 1800 810 586* service (if you are deaf or have a hearing or speech impairment). You need a TTY phone to use this service.
- Call 13 12 02* if you need information in a language other than English.

* Calls to 13 numbers cost 25 cents from anywhere in Australia. Calls to 1800 numbers are free. Calls from public pay phones or mobile phones are charged at a higher rate.