Social Security Legislation Amendment (Parenting and Other Measures) Act 1997

No. 197, 1997

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An Act to amend the law relating to social security, and for related purposes

Contents

1 Short title

2 Commencement

3 Schedule(s)

Schedule 1—Amendments relating to parenting payment

Part 1—Amendment of the Social Security Act

Social Security Act 1991

Part 2—Consequential amendments of other Acts

Child Support (Assessment) Act 1989

Farm Household Support Act 1992

Health Insurance Act 1973

Income Tax Assessment Act 1936

Income Tax Assessment Act 1997

Income Tax Rates Act 1986

National Health Act 1953

Student and Youth Assistance Act 1973

Veterans’ Entitlements Act 1986

Part 3—Consequential amendments of the Income Tax Assessment Act 1997 commencing 1 July 1998

Income Tax Assessment Act 1997

Schedule 2—Amendments relating to child disability allowance

Social Security Act 1991

Schedule 3—Change of name of family payment to family allowance

Part 1—Amendments that take effect irrespective of other amendments

Social Security Act 1991

Part 2—Amendment of provisions relating to maternity allowances

Division 1—Amendments having effect if the Social Security Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to maternity allowances

Social Security Act 1991

Division 2—Amendments having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to maternity allowances

Social Security Act 1991

Part 3—Amendment of provisions relating to the family payment income test

Division 1—Amendment having effect if the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* contains provisions with respect to the family payment income test

Social Security Act 1991

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to the family payment income test

Social Security Act 1991

Part 4—Amendment of provisions relating to family payment rent assistance

Division 1—Amendments having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to family payment rent assistance

Social Security Act 1991

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to family payment rent assistance

Social Security Act 1991

Part 5—Amendment of provisions relating to the family payment maintenance income test

Division 1—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to the family payment maintenance income test

Social Security Act 1991

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to the family payment maintenance income test

Social Security Act 1991

Part 6—Amendment of provisions relating to parenting payment

Division 1—Amendments having effect if this Act contains provisions with respect to parenting payment

Social Security Act 1991

Division 2—Amendments having effect if this Act does not contain provisions with respect to parenting payment

Social Security Act 1991

Part 7—Amendment of provisions relating to the qualification of approved care organisations for family payment

Social Security Act 1991

Part 8—Amendment of provisions relating to fringe benefits

Division 1—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to fringe benefits

Social Security Act 1991

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to fringe benefits

Social Security Act 1991

Part 9—Amendment of provisions relating to Family payment: hardship provisions

Social Security Act 1991

Schedule 4—Amendments to apply consistent hardship rules to ordinary waiting periods, the liquid assets test waiting periods and the income maintenance periods

Part 1—Amendments commencing on 1 July 1998

Social Security Act 1991

Part 2—Amendments commencing on 1 July 1999

Social Security Act 1991

Part 3—Amendment of the Student and Youth Assistance Act 1973 that commences on 1 July 1998

Part 4—Amendment of the Student and Youth Assistance Act 1973 that commences on 1 July 1999

Schedule 5—Amendment of the Health Insurance Act 1973

Schedule 6—Amendment of the Data‑matching Program (Assistance and Tax) Act 1990

**Social Security Legislation Amendment (Parenting and Other Measures) Act 1997**

**No. 197, 1997**

An Act to amend the law relating to social security, and for related purposes

[*Assented to 11 December 1997*]

The Parliament of Australia enacts:

##### 1 Short title

This Act may be cited as the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*.

##### 2 Commencement

(1) Subject to subsections (2) to (8), this Act commences on the day on which it receives the Royal Assent.

(2) Part 3 of Schedule 1 commences on 1 July 1998. The remaining items of Schedule 1 commence on 20 March 1998.

(3) Schedule 2 commences on 1 July 1998.

(4) Schedule 3 commences on 1 April 1998.

(5) Part 1 of Schedule 4 commences:

(a) if an Act to be cited as the *Social Security Legislation Amendment (Youth Allowance) Act 1997* or the *Social Security Legislation Amendment (Youth Allowance) Act 1998* commences on 1 July 1998—immediately after that Act commences; or

(b) if an Act to be cited as the *Social Security Legislation Amendment (Youth Allowance) Act 1997* or the *Social Security Legislation Amendment (Youth Allowance) Act 1998* does not commence on 1 July 1998—on 1 July 1998.

(6) Parts 2 and 4 of Schedule 4 commence on 1 July 1999.

(7) Part 3 of Schedule 4 and Schedule 5 commence on 1 July 1998.

(8) Item 3 of Schedule 6 commences only if subparagraphs (c)(xxivd) and (xxive) of the definition of ***personal assistance*** in subsection 3(1) of the *Data-matching Program (Assistance and Tax) Act 1990*, as in force on 25 August 1997, have not already been repealed by another Act.

##### 3 Schedule(s)

Subject to section2, each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

###### Schedule 1—Amendments relating to parenting payment

Part 1—Amendment of the Social Security Act

Social Security Act 1991

1 Section 3 (index)

Repeal:

|  |  |
| --- | --- |
| maintained child | 5(1) |
| maximum basic component of parenting allowance | 23(1) |
| parenting allowance payday | 23(1) |

2 Section 3 (index)

Insert the following entries in their appropriate position, determined on a letter-by-letter basis:

|  |  |
| --- | --- |
| benefit PP (partnered) | 18 |
| maximum basic component of parenting payment | 18 |
| non‑benefit PP (partnered) | 18 |
| parenting payment | 18 |
| parenting payment payday | 18 |
| pension PP (single) | 18 |
| pension PP (single) payday | 18 |
| PP (partnered) | 18 |
| PP (partnered) payday | 18 |

3 Paragraphs 4(4)(a) and (5)(a)

Omit “sole parent pension”, substitute “parenting payment”.

4 Subsection 5(1) (definition of *maintained child*)

Repeal the definition.

5 After subsection 5(8)

Insert:

(8A) For the purposes of Part 2.10, a young person who is an inmate of a mental hospital is a ***dependent child*** of a member of a couple if there is in force under subsection 37(3) a determination in respect of the young person and the member of the couple.

6 Subsection 5(9)

Omit “Parts 2.17 and 2.18”, substitute “Part 2.17”.

7 Subsections 5(9A) and (9B)

Repeal the subsections.

8 Paragraph 7(4)(c)

Repeal the paragraph.

9 Subsection 7(6)

Omit “parenting allowance”, substitute “PP (partnered)”.

10 Subsection 7(6AA)

Omit “family payment, a non-benefit parenting allowance”, substitute “a pension PP (single), family payment, a non-benefit PP (partnered)”.

11 Subsection 8(1) (definition of *ordinary income* (note 4))

Omit “1068A‑D4”, substitute “1068B‑D3”.

12 Paragraph 8(8)(z) (note)

Omit “1068A‑D6”, substitute “1068B‑D5”.

13 Subparagraph 8(8)(zm)(ii)

Omit “parenting allowance”, substitute “non-benefit PP (partnered)”.

14 Subsection 9(1) (paragraph (c) of the definition of *assessable period*)

Repeal the paragraph, substitute:

(c) a non-benefit PP (partnered); or

(d) a non-benefit parenting allowance.

15 Subsection 9(1) (definition of *assessable period*)

Omit “or allowance”, substitute “, allowance or payment”.

16 Subsection 9(1) (definition of *determination of entitlement*)

Omit “pension, benefit or allowance” (wherever occurring), substitute “social security payment”.

17 Subsection 11(10AA)

Omit all the words from and including “parenting allowance”, substitute “non-benefit PP (partnered) and a non-benefit parenting allowance”.

18 Paragraph 11(10A)(ba)

Repeal the paragraph.

19 At the end of subsection 11(10A)

Add:

; or (d) a non-benefit PP (partnered); or

(e) a non-benefit parenting allowance.

20 Subsection 11(13)

After “social security pension”, insert “(other than a pension PP (single))”.

21 Paragraph 12C(5)(ba)

Repeal the paragraph, substitute:

(ba) PP (Partnered) Rate Calculator (points 1068B‑B4 and 1068B‑B5); and

22 At the end of subsection 15(2)

Add:

; (c) a pension PP (single).

23 Subsection 17(1) (paragraph (b) of the definition of *compensation affected payment*)

Repeal the paragraph, substitute:

(b) a parenting payment; or

24 Subsection 17(1) (paragraph (da) of the definition of *compensation affected payment*)

Repeal the paragraph.

25 Subsection 17(1) (at the end of the definition of *former payment type*)

Add:

; or (p) a sole parent pension under this Act as previously in force; or

(q) a parenting allowance under this Act as previously in force.

26 Subsection 17(4A) (note)

Omit “1066‑E3, 1066A‑F2A and 1068‑G8A”, substitute “1066A‑F2A, 1068A‑E13 and 1068B‑D21”.

27 Paragraph 17(7)(b)

Omit “parenting allowance”, substitute “PP (partnered)”.

28 Paragraph 17(7)(c)

Repeal the paragraph, substitute:

(c) where the payment is a payment of PP (partnered)—a person receiving a payment during the period; or

29 After section 17

Insert:

##### 18 Parenting payment definitions

In this Act, unless the contrary intention appears:

***benefit PP (partnered)*** means parenting payment that, under Module B of the PP (Partnered) Rate Calculator in section 1068B, is a benefit PP (partnered).

***maximum basic component of parenting payment*** has the meaning given in point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

***non-benefit PP (partnered)*** means parenting payment that, under Module B of the PP (Partnered) Rate Calculator in section 1068B, is a non-benefit PP (partnered).

***parenting payment*** means:

(a) pension PP (single); or

(b) PP (partnered).

***parenting payment payday*** means:

(a) a pension PP (single) payday; or

(b) a PP (partnered) payday.

***pension PP (single)*** means parenting payment whose rate is worked out under the Pension PP (Single) Rate Calculator in section 1068A.

***pension PP (single) payday*** means:

(a) the Thursday that falls on 2 April 1998; and

(b) each succeeding alternate Thursday.

***PP (partnered)*** means:

(a) benefit PP (partnered); or

(b) non‑benefit PP (partnered).

***PP (partnered) payday*** means:

(a) the Thursday that falls on 26 March 1998; and

(b) each succeeding alternate Thursday.

30 Subsections 19A(4), (5) and (6)

Omit “parenting allowance”, substitute “PP (partnered)”.

31 Subsection 19A(7)

Repeal the subsection, substitute:

(7) If the instalment is an instalment of PP (partnered), the amount of PP (partnered) paid is the fortnightly amount of pharmaceutical allowance added to the person’s provisional payment rate of PP (partnered) in working out the amount of the instalment.

Note: For the provisional payment rate of PP (partnered) see Step 7 of point 1068B‑A3 of the PP (Partnered) Rate Calculator in section 1068B.

32 Subsection 21(1) (definition of *partner bereavement payment*)

Omit “304”, substitute “514B”.

33 Subsection 21(1) (definition of *partner bereavement payment*)

Omit “, 951ZB”.

34 Subsection 23(1) (after paragraph (d) of the definition of *assurance of support debt*)

Insert:

(da) parenting payment under Part 2.10 of this Act; or

35 Subsection 23(1) (paragraph (fb) of the definition of *assurance of support debt*)

Omit “under Part 2.18 of this Act”.

36 Subsection 23(1) (definition of *benefit parenting allowance*)

Repeal the definition, substitute:

***benefit parenting allowance*** means benefit parenting allowance under this Act as previously in force.

37 Subsection 23(1) (definition of *compensation arrears debt*)

Omit “300,”.

38 Subsection 23(1) (definition of *compensation arrears debt*)

After “408PB,”, insert “511A”.

39 Subsection 23(1) (definition of *compensation arrears debt*)

Omit “, 821 or 951U”, substitute “or 821”.

40 Subsection 23(1) (definition of *income maintenance period*)

Repeal the definition, substitute:

***income maintenance period*** has the meaning given in points 1067-H5G and 1067-H5H, 1067E-G6G and 1067E-G6H, 1068-G7AG and 1068-G7AH, 1068A-E3 and 1068A-E4 and 1068B-D9 and 1068B-D10.

41 Subsection 23(1) (definition of *maximum basic component of parenting allowance*)

Repeal the definition.

42 Subsection 23(1) (paragraph (i) of the definition of *newly arrived resident’s waiting period*)

Repeal the paragraph.

43 Subsection 23(1) (definition of *non-benefit parenting allowance*)

Repeal the definition, substitute:

***non-benefit parenting allowance*** means non-benefit parenting allowance under this Act as previously in force.

44 Subsection 23(1)

Insert:

***parenting allowance*** means parenting allowance under this Act as previously in force.

45 Subsection 23(1) (definition of *parenting allowance payday*)

Repeal the definition.

46 Subsection 23(1) (paragraph (a) of the definition of *payday*)

After “social security pension”, insert “(other than a pension PP (single))”.

47 Subsection 23(1) (paragraph (b) of the definition of *payday*)

Omit “parenting allowance”, substitute “PP (partnered)”.

48 Subsection 23(1) (paragraph (ba) of the definition of *payday*)

Repeal the paragraph, substitute:

(ba) if the person is receiving a parenting payment—a parenting payment payday; and

49 Subsection 23(1) (paragraph (e) of the definition of *recipient notification notice*)

Repeal the paragraph.

50 Subsection 23(1) (definition of *recipient notification notice*)

Insert:

(gc) section 506D (parenting payment); or

51 Subsection 23(1) (paragraph (n) of the definition of *recipient notification notice*)

Repeal the paragraph.

52 Subsection 23(1) (paragraph (e) of the definition of *recipient statement notice*)

Repeal the paragraph.

53 Subsection 23(1) (definition of *recipient statement notice)*

Insert:

(gc) section 506E (parenting payment); or

54 Subsection 23(1) (paragraph (n) of the definition of *recipient statement notice*)

Repeal the paragraph.

55 Subsection 23(1) (paragraph (f) of the definition of *social security benefit*)

Repeal the paragraph, substitute:

(f) benefit PP (partnered); or

(g) parenting allowance (other than non-benefit allowance).

56 Subsection 23(1) (paragraph (e) of the definition of *social security entitlement*)

Repeal the paragraph, substitute;

(e) a pension PP (single); or

57 Subsection 23(1) (paragraph (e) of the definition of *social security pension*)

Repeal the paragraph, substitute:

(e) a pension PP (single); or

(ea) a sole parent pension; or

58 Subsection 23(1)

Insert:

***sole parent pension*** means sole parent pension under this Act as previously in force.

59 Subsection 23(1) (paragraph (l) of the definition of *waiting period*)

Repeal the paragraph.

60 Subsection 23(4)

Omit “parenting allowance”, substitute “benefit PP (partnered)”.

61 Subsection 23(4AAA)

Omit all the words from and including “parenting allowance”, substitute “PP (partnered) until the last day on which the payment is payable to the person even if the last instalment of the PP (partnered) is paid before that day.”.

62 Subsection 23(10)

Omit “, Part 2.14 (sickness allowance) or Part 2.18 (parenting allowance)”, substitute “or Part 2.14 (sickness allowance)”.

63 Subsection 37(1)

Omit “Part 2.18 (parenting allowance)”.

64 At the end of section 37

Add:

(3) A young person is taken to be a ***dependent child*** of a member of a couple (the ***adult***) for the purposes of Part 2.10 (parenting payment) if:

(a) the young person is an inmate of a mental hospital; and

(b) the mental hospital is either:

(i) maintained by the Commonwealth, a State, the Australian Capital Territory or the Northern Territory; or

(ii) mainly dependent upon financial assistance from the Commonwealth, a State, the Australian Capital Territory or the Northern Territory; and

(c) the adult is making a reasonable contribution towards the expenses of maintaining the young person; and

(d) the Secretary determines that the young person is to be taken to be a dependent child of the adult.

65 Subsection 42(2) (note)

Omit “parenting allowance”, substitute “parenting payment”.

66 Subsection 42(2) (note)

Renumber as Note 1.

67 At the end of subsection 42(2) (after note 1)

Add:

Note 2: The general rule in subsection (2) is subject to exceptions if a person is transferring between pension PP (single) and PP (partnered). See section 504E in Part 2.10.

68 Subsection 42(3) (note 1)

Omit “parenting allowance”, substitute “parenting payment”.

69 Subparagraph 46(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

70 Paragraph 48(3)(a)

Omit “sole parent pension”, substitute “parenting payment”.

71 Subparagraph 100(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

72 Subparagraph 139(4)(b)(iii)

Repeal the subparagraph.

73 Subparagraph 150(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

74 Subsection 186(1) (note)

Omit all the words after “automatically transferred”, substitute “to a parenting payment after the end of the bereavement period without making a claim for that payment (see subsection 501(3)).

75 Subparagraph 201(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

76 Subparagraph 237(1)(d)(iv)

Repeal the subparagraph.

77 Subparagraph 237(1)(d)(vii)

Omit “, wife or sole parent pension”, substitute “or wife pension”.

78 Subsection 237(1) (note 3)

Omit all the words after “automatically transferred”, substitute “to a parenting payment after the end of the bereavement period without making a claim for that payment (see subsection 501(4)).

79 Part 2.6

Repeal the Part.

80 Paragraph 315(1)(c)

Omit “sole parent pension”, substitute “parenting payment”.

81 Subparagraph 318(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

82 Paragraph 362(1)(b)

Omit “a sole parent pension”, substitute “parenting payment”.

83 Subsection 362(1) (note 1)

Repeal the note.

84 Subsection 362(1) (note 2)

Omit “2”.

85 Subparagraph 408CC(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

86 After Part 2.8A

Insert:

## Part 2.10—Parenting payment

### Division 1—Qualification for and payability of parenting payment

#### Subdivision A—Qualification

##### 500 Qualification for parenting payment

(1)Aperson is qualified for parenting payment if:

(a) the person has at least one PP child (see sections 500D to 500H); and

(b) the person is an Australian resident; and

(c) the person is in Australia, or satisfies the requirements of section 500A; and

(d) at least one of the following conditions is satisfied:

(i) the person is not a member of a couple and the person was not a lone parent at the start of the person’s current period as an Australian resident (see subsections (2) and (3));

(ii) the person has, at any time, been in Australia for a period of, or periods adding up to, at least 104 weeks during a continuous period throughout which the person was an Australian resident;

(iii) the person has a qualifying residence exemption for parenting payment.

Note 1: For ***Australian resident*** and ***qualifying residence exemption*** see section 7.

Note 2: If a person is claiming parenting payment under a scheduled international social security agreement, the requirements of this subsection could be modified by section 1208A.

(2) For the purposes of subparagraph (1)(d)(i), a person’s ***current period as an Australian resident*** is a period that satisfies both the following conditions:

(a) the person has been an Australian resident for the entire period;

(b) the person lodged the claim for parenting payment during the period.

(3) For the purposes of subparagraph (1)(d)(i), a person was a ***lone parent*** on a particular day if, on that day:

(a) the person was not a member of a couple; and

(b) the person had a dependent child.

##### 500A Qualification for parenting payment—temporary absences from Australia

(1) Subject to subsection (3), for the purposes of paragraph 500(1)(c), a person satisfies the requirements of this section if the person:

(a) is temporarily absent from Australia; and

(b) has not been absent from Australia for more than 26 weeks.

(2) For the purposes of subsection (1), in determining if an absence is temporary, regard must be had to the following factors:

(a) the purpose of the absence;

(b) the intended duration of the absence;

(c) the frequency of such absences.

(3) If:

(a) a person does not satisfy the requirements of this section:

(i) because the person’s absence from Australia is not temporary; or

(ii) because the person has been absent from Australia for more than 26 weeks; or

(iii) because of a previous application of this subsection; and

(b) the person comes to Australia; and

(c) the person leaves Australia again less than 26 weeks later;

the person is taken, for the purposes of paragraph 500(1)(c), not to satisfy the requirements of this section when the person leaves Australia as mentioned in paragraph (c).

##### 500B Qualification affecting member of couple—assurance of support

A person who is a member of a couple is not qualified for parenting payment if the Secretary is satisfied that:

(a) an assurance of support is in force in respect of the person (the ***assuree***); and

(b) the person who gave the assurance of support is willing and able to provide an adequate level of support to the assuree; and

(c) it would be reasonable for the assuree to accept that support.

Note: For ***assurance of support*** see subsection 23(1).

##### 500C Qualification affecting member of couple—unemployment due to industrial action

(1) If:

(a) a person (***claimant***) who is a member of a couple has claimed but has not yet received parenting payment; and

(b) when the claim was lodged, the claimant was unemployed;

the claimant is not qualified for parenting payment unless the Secretary is satisfied that the claimant’s unemployment is not due to the fact that the claimant is, or has been, engaged in industrial action or a series of industrial actions.

(2) For the purposes of subsection (1) and without limiting that subsection, a claimant is taken not to be, or not to have been, engaged in industrial action or a series of industrial actions if the Secretary is satisfied that the claimant’s unemployment is due to the fact that other persons are, or have been, engaged in industrial action or in a series of industrial actions, and that:

(a) if industrial action is still being engaged in:

(i) those persons, or some of those persons, are members of a trade union that is involved in the industrial action, or have been such members at any time since industrial action started; and

(ii) the claimant has not been a member of that trade union at any time since industrial action started; or

(b) if industrial action has stopped:

(i) at any time while industrial action was being engaged in, those persons, or some of those persons, were members of a trade union that was involved in the industrial action; and

(ii) the claimant was not a member of that trade union at any time while industrial action was being engaged in.

(3) Subsection (1) does not prevent a person from being qualified for parenting payment on a PP (partnered) payday that occurs after the relevant industrial action or series of industrial actions has stopped.

Note: For ***industrial action***, ***trade union*** and ***unemployment*** see section 16 and for ***PP (partnered) payday*** see section 18.

##### 500D PP child

(1) A ***PP child***, in relation to a person who is a member of a couple, is a child who:

(a) is a dependent child of the person; and

(b) has not turned 16.

(2) A ***PP child***, in relation to a person who is not a member of a couple, is a child who:

(a) is a dependent child of the person (the ***adult***); and

(b) either:

(i) has not turned 16; or

(ii) is a child for whom the adult is qualified for child disability allowance; and

(c) any of the following subparagraphs apply:

(i) the child is a natural or adopted child of the adult; or

(ii) the adult has a specific issues order, within the meaning of the *Family Law Act 1975*, in relation to the child under which the adult is responsible for the day-to-day care, welfare and development of the child; or

(iii) the child is in the adult’s legal custody; or

(iv) if the adult has ever been a member of a couple—the child was being maintained by the adult immediately before the adult ceased to be a member of the couple; or

(v) the child has been wholly or substantially in the care of the adult for a period of at least 12 months immediately before the day on which the adult claims parenting payment and is, in the Secretary’s opinion, likely to remain wholly or substantially in the adult’s care permanently or indefinitely.

Note 1: For ***dependent child*** see subsections 5(2) to (9).

Note 2: If a parenting plan which includes provisions dealing with the day‑to‑day care, welfare and development of a child is registered in a court under the *Family Law Act 1975*, the provisions have effect as if they were a specific issues order made by the court under that Act. (See, in particular, subsection 63F(3) of the *Family Law Act 1975*.)

##### 500E Child to be PP child for only one person

(1)A child can be a PP child of only one person at a time.

(2)If the Secretary is satisfied that, but for this section, a child would be a PP child of 2 or more persons (***adults***), the Secretary must:

(a) make a written determination specifying one of them as the person in relation to whom the child is to be a PP child; and

(b) give each adult who has claimed parenting payment a copy of the determination.

(3) The Secretary may make the determination even if all the adults have not claimed parenting payment.

##### 500F PP child—child absent from Australia for more than 26 weeks

(1) If a dependent child:

(a) leaves Australia temporarily; and

(b) continues to be absent from Australia for more than 26 weeks;

the child cannot be a PP child at any time after the 26 weeks while the child remains absent from Australia.

(2) For the purposes of subsection (1), in determining if an absence is temporary, regard must be had to the following factors:

(a) the purpose of the absence;

(b) the intended duration of the absence;

(c) the frequency of such absences.

##### 500G PP child—child born outside Australia

If a dependent child:

(a) is born outside Australia; and

(b) continues to be absent from Australia for a period of more than 26 weeks immediately following the child’s birth;

the child cannot be a PP child at any time after the 26 weeks while the child remains absent from Australia.

##### 500H PP child—child subsequently departs Australia

If:

(a) a dependent child is not a PP child because of section 500F (absence from Australia) or 500G (birth outside Australia), or because of a previous application of this section; and

(b) the child comes to Australia; and

(c) the child leaves Australia less than 26 weeks later;

the child cannot be a PP child when the child leaves Australia as mentioned in paragraph (c).

#### Subdivision B—Payability

##### 500I Parenting payment not payable in some circumstances

(1)Even though a person is qualified for parenting payment, the payment may not be payable to the person because:

(a) the payment has not commenced to be payable (see sections 500J and 504); or

(b) the person has not provided a tax file number for the person (see section 500N) or the person’s partner (see section 500P); or

(c) the value of the person’s assets exceeds the person’s assets value limit (see section 500Q); or

(d) the person’s partner is receiving parenting payment (see section 500R); or

(e) the person is receiving another payment or another payment becomes payable to the person (see sections 500S to 500U); or

(f) the person is receiving a payment under certain educational schemes (see section 500V); or

(g) the person is receiving income that is paid by a community or group from funds provided under a Commonwealth funded employment program (see section 500W); or

(h) the person is receiving payments under a LEAP program (see section 500X); or

(i) a period of non‑payment or rate reduction of newstart allowance or youth training allowance has been applied to the person and the period has not ended (see section 500Y); or

(j) the person has not nominated a bank, credit union or building society account for payment of parenting payment (see section 504K); or

(k) the person is in gaol (see Part 3.13); or

(l) the person or the person’s partner is subject to a compensation preclusion period (see Part 3.14).

(2)Subject to subsection (3), parenting payment is not payable to a person if the person’s parenting payment rate would be nil.

(3)Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.

##### 500J Parenting payment generally not payable before claim

Parenting payment is not payable to a person before the person’s provisional commencement day (identified under section 500K).

##### 500K Provisional commencement day

General rule

(1)Subject to this section and section 500L, a person’s ***provisional commencement day*** is the day on which the person claims parenting payment.

Claim made within 4 weeks of becoming qualified

(2) If a person claims parenting payment within 4 weeks after becoming qualified for parenting payment, the person’s provisional commencement day is the day on which he or she became qualified.

Initial incorrect or inappropriate claim followed by claim for parenting payment

(3)If:

(a) a person makes a claim (in this subsection called the ***initial claim***) for:

(i) a social security or service pension or a social security benefit; or

(ia) a youth training allowance; or

(ii) a pension, allowance, benefit or other payment under another Act, or under a program administered by the Commonwealth, that is similar in character to parenting payment; and

(b) on the day on which the person makes the initial claim, the person is qualified for parenting payment; and

(c) the person subsequently makes a claim for parenting payment; and

(d) the Secretary is satisfied that it is reasonable for this subsection to apply to the person;

the person’s provisional commencement day is the day on which the person made the initial claim.

Early claim

(4) If:

(a) a person lodges a claim for parenting payment; and

(b) the person is not, on the day on which the claim is lodged, qualified for parenting payment; and

(c) during the period of 13 weeks starting on the day immediately after the day on which the claim is lodged, the person becomes qualified for parenting payment otherwise than because of the birth of a child;

the person’s provisional commencement day is the first day on which the person is qualified for parenting payment.

Claim resulting from a major disaster

(5)If a person:

(a) claims a disaster relief payment; and

(b) is qualified for the payment; and

(c) as a result of the major disaster to which the payment relates, claims parenting payment within 14 days of claiming the disaster relief payment;

the person’s provisional commencement day is the day on which he or she was affected by the disaster.

Recipient of wife pension or carer payment not required to make claim

(6)If a person is not required to make a claim for parenting payment because of subsection 501(3) or (4), the person’s provisional commencement day is the day immediately after the end of the bereavement period.

Partner allowee not required to make claim

(7) If a person is not required to make a claim for parenting payment because of subsection 501(5), the person’s provisional commencement day is the day on which the person becomes qualified for parenting payment.

##### 500L Backdating—death of partner

If:

(a) a person’s partner dies; and

(b) the person lodges a claim for parenting payment:

(i) on the day on which the partner dies; or

(ii) within 4 weeks after the day on which the partner dies;

the person’s provisional commencement day is the day on which the partner dies.

Note: For ***provisional commencement day*** see section 500K.

##### 500M Claims by telephone, facsimile or computer

(1) This section applies to a person if:

(a) the person is the partner of another person to whom section 100A, 615A or 687A of this Act, or section 91A of the *Student and Youth Assistance Act 1973*, applies because the Department was contacted by telephone, or by the transmission of a message by use of facsimile or computer equipment, in relation to the making of a claim by the other person for an allowance or pension referred to in that section; and

(b) the Department was told, in the telephone call or message, either of the following:

(i) that the person intended to make a claim for parenting payment;

(ii) that the person intended to make a claim for partner allowance; and

(c) on the day the Department was contacted, the person was qualified for parenting payment; and

(d) the Secretary gave the person a written notice acknowledging that the Department had been contacted in relation to either of the following:

(i) the making by the person of a claim for parenting payment;

(ii) the making by the person of a claim for a partner allowance; and

(e) the person lodges a claim for parenting payment within the period stated in subsection (2); and

(f) either:

(i) the person gives the Secretary the notice referred to in paragraph (d) when lodging the claim for parenting payment; or

(ii) the Department has a written record that the notice referred to in paragraph (d) has been sent to the person.

(2) Subject to subsection (3), for the purposes of paragraph (1)(e), the period is 21 days after the day on which the Department was contacted (the ***21 day period***).

(3) The Secretary may determine, by written notice given to the person:

(a) within the 21 day period; or

(b) within the period of any extension under this subsection;

that the period for the purposes of paragraph (1)(e) is extended to a period that is not longer than 13 weeks after the day on which the Department was contacted.

(4) If this section applies to a person, the person is taken to have lodged a claim in accordance with subsection 501B(1) on the day on which the Department was contacted.

##### 500N Provision of person’s tax file number

(1)Parenting payment is not payable to a person if:

(a) the person is requested under section 501H or 506B:

(i) to give the Secretary a written statement of the person’s tax file number; or

(ii) to apply for a tax file number and to give the Secretary a written statement of the person’s tax file number once it has been issued; and

(b) at the end of the period of 28 days after the request is made, the person has neither:

(i) given the Secretary a written statement of the person’s tax file number; nor

(ii) given the Secretary an employment declaration and satisfied either subsection (2) or (3).

(2)The person satisfies this subsection if:

(a) the person’s employment declaration states that the person:

(i) has a tax file number but does not know what it is; and

(ii) has asked the Commissioner of Taxation to inform the person of the person’s tax file number; and

(b) the person has given the Secretary a document by the person that authorises the Commissioner of Taxation to tell the Secretary:

(i) whether the person has a tax file number; and

(ii) if the person has a tax file number—the tax file number; and

(c) the Commissioner of Taxation has not told the Secretary that the person has no tax file number.

(3)The person satisfies this subsection if:

(a) the person’s declaration states that the person has applied for a tax file number; and

(b) the person has given the Secretary a document by the person that authorises the Commissioner of Taxation to tell the Secretary:

(i) if a tax file number is issued to the person—the tax file number; or

(ii) if the application is refused—that the application has been refused; or

(iii) if the application is withdrawn—that the application has been withdrawn; and

(c) the Commissioner of Taxation has not told the Secretary that the person has not applied for a tax file number; and

(d) the Commissioner of Taxation has not told the Secretary that an application by the person for a tax file number has been refused; and

(e) the application for a tax file number has not been withdrawn.

##### 500P Provision of partner’s tax file number

(1)Subject to subsection (4), parenting payment is not payable to a person if:

(a) the person is a member of a couple; and

(b) the person is requested under section 501I or 506C to give the Secretary a written statement of the tax file number of the person’s partner; and

(c) at the end of the period of 28 days after the request is made the person has neither:

(i) given the Secretary a written statement of the partner’s tax file number; nor

(ii) given the Secretary a declaration by the partner in a form approved by the Secretary and satisfied either subsection (2) or (3).

(2)The person satisfies this subsection if:

(a) the partner’s declaration states that the partner:

(i) has a tax file number but does not know what it is; and

(ii) has asked the Commissioner of Taxation to inform the partner of the partner’s tax file number; and

(b) the person has given the Secretary a document by the partner that authorises the Commissioner of Taxation to tell the Secretary:

(i) whether the partner has a tax file number; and

(ii) if the partner has a tax file number—the tax file number; and

(c) the Commissioner of Taxation has not told the Secretary that the partner has no tax file number.

(3)The person satisfies this subsection if:

(a) the partner’s declaration states that an application by the partner for a tax file number is pending; and

(b) the person has given the Secretary a document by the partner that authorises the Commissioner of Taxation to tell the Secretary:

(i) if a tax file number is issued to the partner—the tax file number; or

(ii) if the application is refused—that the application has been refused; or

(iii) if the application is withdrawn—that the application has been withdrawn; and

(c) the Commissioner of Taxation has not told the Secretary that an application by the partner for a tax file number has been refused; and

(d) the application for a tax file number has not been withdrawn.

(4)The Secretary may waive the request for a statement of the partner’s tax file number if the Secretary is satisfied that:

(a) the person does not know the partner’s tax file number; and

(b) the person can obtain none of the following from the partner:

(i) the partner’s tax file number;

(ii) a statement of the partner’s tax file number;

(iii) a declaration by the partner under subparagraph (1)(c)(ii).

##### 500Q Assets test for person not member of a couple—payment not payable if assets value limit exceeded

(1) Parenting payment is not payable to a person who is not a member of a couple if the value of the person’s assets exceeds the person’s assets value limit.

(2) A person’s assets value limit is worked out using the following table:

| **Assets Value Limit Table** | | |
| --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s situation** | **Column 3**  **Assets value limit** |
| 1 | Person is a homeowner | $125,750 |
| 2 | Person is not a homeowner | $215,750 |

Note 1: For ***homeowner*** see section 11.

Note 2: The assets value limit in Column 3 of Item 1 is indexed annually in line with CPI increases (see sections 1190 to 1194).

Note 3: The assets value limit in Column 3 of Item 2 is adjusted annually (see subsection 1204(1)).

Note 4: If parenting payment is not payable to a person because of the value of the person’s assets, the person may be able to take advantage of provisions dealing with financial hardship (see sections 1130B and 1130C).

##### 500R Parenting payment not payable to more than one member of a couple

(1) Subject to subsection (2), if one member of a couple is receiving parenting payment, parenting payment is not payable to the other member of the couple.

(2) If:

(a) both members of a couple are qualified for parenting payment; and

(b) both of them have claimed parenting payment (whether or not one of them is receiving parenting payment);

the Secretary must:

(c) make a written determination specifying one of them as the member of the couple to whom parenting payment is payable; and

(d) give a copy of the determination to both of them.

(3) Parenting payment is not payable to the member of the couple not specified in the determination.

##### 500S Multiple entitlement exclusion—person not member of a couple

(1) This section applies to a person who is not a member of a couple.

(2)Parenting payment is not payable to the person if the person is already receiving a service pension.

(3)If:

(a) a person is receiving parenting payment; and

(b) another social security pension or a social security benefit, youth training allowance or service pension becomes payable to the person;

parenting payment is not payable to the person.

Note 1: Another payment type will generally not become payable to the person until the person claims it.

Note 2: For ***social security pension*** and ***social security benefit*** see subsection 23(1).

Note 3: For the day on which parenting payment ceases to be payable see section 508.

(4)Parenting payment is not payable to a woman if:

(a) the woman is an armed services widow; and

(b) the woman is receiving a pension under Part II or IV of the Veterans’ Entitlements Act at a rate determined under or by reference to subsection 30(1) of that Act.

Note: For ***armed services widow*** see subsection 4(1).

(5)Parenting payment is not payable to a man if:

(a) the man is an armed services widower; and

(b) the man is receiving a pension under Part II or IV of the Veterans’ Entitlements Act at a rate determined under or by reference to subsection 30(1) of that Act.

Note: For ***armed services widower*** see subsection 4(1).

##### 500T Multiple entitlement exclusion—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) Subject to subsection (3), if:

(a) a person is receiving parenting payment; and

(b) a social security benefit or a youth training allowance becomes payable to the person;

parenting payment is not payable to the person.

Note 1: Another payment type will generally not become payable to the person until the person claims it.

Note 2: For the day on which parenting payment ceases to be payable see section 508A.

Note 3: For ***youth training allowance*** see subsection 23(1).

(3) Subsection (2) does not apply if:

(a) the person is an armed services widow; and

(b) the social security benefit to which subsection 1068(3) applies is payable to her.

Note: For ***armed services widow*** see subsection 4(1).

##### 500U Multiple entitlement exclusion—person ceases to be member of a couple

(1) If:

(a) a person is receiving a non-benefit PP (partnered); and

(b) the person is also receiving a social security pension other than:

(i) a wife pension; or

(ii) a carer payment for caring for the person’s partner; or

(iii) a mature age partner allowance; and

(c) the person ceases to be a member of a couple;

parenting payment is not payable to the person.

(2) If:

(a) a person is receiving a non-benefit PP (partnered); and

(b) the person is also receiving:

(i) a wife pension; or

(ii) a mature age partner allowance; and

(c) the person’s partner dies;

parenting payment is not payable to the person.

(3) If:

(a) a person is receiving a non-benefit PP (partnered); and

(b) the person is also receiving a carer payment for caring for the person’s partner; and

(c) the person’s partner dies; and

(d) the person is qualified for payments under Subdivision B of Division 9 of Part 2.5;

parenting payment is not payable to the person.

Note 1: For ***non-benefit PP (partnered)*** see section 18.

Note 2: A person who is a member of a couple may receive both a social security pension and a non-benefit PP (partnered). If the person were to cease to be a member of a couple, the rate of parenting payment would be changed to the pension PP (single) rate. The person’s other social security pension would then cease to be payable due to the pension multiple entitlement exclusion provisions (see for example the combined effect of subsection 103(2) and section 136). Section 500U operates to stop the payment of parenting payment in the situations specified in subsections 500U(1), (2) and (3). As a result, the person’s other pension continues to be payable.

If subsection 500U(1) applies to a person, parenting payment stops being payable and the person continues to receive a pension referred to in paragraph 500U(1)(b) (eg. disability support pension) (the rate of that pension will be reassessed at the single rate). If the person would prefer to receive pension PP (single), the person could lodge a claim for parenting payment, which, if granted, would result in the person’s current pension ceasing to be payable.

If subsections 500U(2) or (3) apply to a person, parenting payment stops being payable and the person continues to receive wife pension or mature age partner allowance or carer payment for caring for the person’s partner during the 14 week bereavement period. Parenting payment at the pension PP (single) rate may become payable immediately after the end of the bereavement period. A claim for parenting payment would be required at the end of the bereavement period if the person is receiving mature age partner allowance, but would not be required if the person is receiving wife pension or carer payment. If the person would prefer to receive pension PP (single) during the bereavement period, the person could choose not to receive wife pension (see subsection 188(2)) or mature age partner allowance (see subsection 660XKJ(2)) or carer payment (see subsection 237(2)) during the bereavement period, and lodge a claim for parenting payment instead.

##### 500V Educational schemes exclusion—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) Parenting payment is not payable to the person if the person is receiving:

(a) payments under the AUSTUDY Scheme; or

(b) payments under the ABSTUDY Scheme (other than payments under the ABSTUDY Tertiary Scheme as a part‑time student); or

(c) payments under the Student Financial Supplement Scheme.

##### 500W Commonwealth funded employment program exclusion—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) Parenting payment is not payable to a person if the person is receiving income that is paid by a community or group from funds provided under a Commonwealth funded employment program.

Note: For ***Commonwealth funded employment program*** see subsection 23(1).

##### 500X Payments under LEAP programs—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) Parenting payment is not payable to a person if the person is receiving payments under a LEAP program.

Note: For ***LEAP program*** see subsection 23(1).

##### 500Y Non‑payment periods and rate reduction periods for newstart allowance and youth training allowance—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) Parenting payment is not payable to a person if:

(a) a period of non‑payment of newstart allowance has been applied to the person under paragraph 608(1)(j); or

(b) an activity test breach rate reduction period or an administrative breach rate reduction period for newstart allowance has been applied to the person under section 644AA or 644B; or

(c) a period of non‑payment of youth training allowance has been applied to the person under paragraph 85(1)(k) or (m) of the *Student and Youth Assistance Act 1973*; or

(d) an activity test breach rate reduction period or an administrative breach rate reduction period for youth training allowance has been applied to the person under section 136AA or 136A of the *Student and Youth Assistance Act 1973*;

and that period has not ended.

(3) Subsection (2) does not apply in relation to a particular period of non‑payment or rate reduction if the Secretary is satisfied that it should not so apply.

### Division 2—Claim for parenting payment

##### 501 Need for a claim

(1)Subject to subsections (3), (4) and (5), a person who wants to be granted parenting payment must make a proper claim for that payment.

Note: For ***proper claim*** see section 501A (form), section 501B (manner of lodgment) and section 501C (residence/presence in Australia).

(2)For the purposes of subsection (1), if:

(a) a claim for parenting payment is made by or on behalf of a person; and

(b) at the time the claim is made, the claim cannot be granted because the person is not qualified for that payment; and

(c) subsection 500K(4) does not apply to the claim;

the claim is to be taken to have not been made.

(3)If:

(a) a person is receiving a wife pension; and

(b) the person’s partner dies; and

(c) immediately before the end of the bereavement period the person is qualified for wife pension; and

(d) immediately after the end of that period the person is qualified for parenting payment;

the person does not have to make a claim for parenting payment.

(4)If:

(a) a person is receiving a carer payment for caring for the person’s partner; and

(b) the person’s partner dies; and

(c) immediately before the end of the bereavement period the person is qualified for payments under Subdivision B of Division 9 of Part 2.5; and

(d) immediately after the end of that period the person is qualified for parenting payment;

the person does not have to make a claim for parenting payment.

(5) If:

(a) a person is receiving a partner allowance; and

(b) the person becomes qualified for parenting payment because the person becomes a person who has at least one PP child;

the person does not have to make a claim for parenting payment.

Note: For ***PP child*** see sections 500D to 500H.

##### 501A Form of claim

To be a proper claim, a claim must be made in writing and must be in accordance with a form approved by the Secretary.

##### 501B Lodgment of claim

(1)To be a proper claim, a claim must be lodged:

(a) at an office of the Department; or

(b) at a place approved for the purpose by the Secretary; or

(c) with a person approved for the purpose by the Secretary.

(2)Subject to subsection (3), a place or person approved under subsection (1) must be a place or person in Australia.

(3)The Secretary may approve a place or person outside Australia under subsection (1) for the purpose of lodgment of claims made under an international agreement.

Note: For international agreements see Part 4.1.

##### 501C Claimant must be Australian resident and in Australia

(1)Subject to subsection (2), a claim by a person is not a proper claim unless the person is:

(a) an Australian resident; and

(b) in Australia;

on the day on which the claim is lodged.

Note 1: For ***Australian resident*** see subsection 7(2).

Note 2: The provisions of a scheduled international agreement may permit a proper claim to be made by a person who is not an Australian resident or not in Australia (see section 1208).

(2) A claim lodged by a person who is an Australian resident but is not in Australia is a proper claim if:

(a) the person, while outside Australia, has been receiving an income support payment; and

(b) the income support payment is cancelled or ceases to be payable; and

(c) the person lodges the claim for parenting payment within 13 weeks after the income support payment is cancelled or ceases to be payable.

Note: For ***income support payment*** see subsection 23(1).

##### 501D Claim may be withdrawn

(1)A claimant for parenting payment or a person on behalf of a claimant may withdraw a claim made by the claimant that has not been determined.

(2)A claim that is withdrawn is taken to have not been made.

(3)A withdrawal may be made orally or in writing.

##### 501E Secretary may require some claimants to give information about domestic circumstances

De facto relationship

(1)If:

(a) a particular residence has been, for a period of at least 8 weeks, the principal home of both a claimant for parenting payment and a person of the opposite sex; and

(b) the claimant is not legally married to the other person; and

(c) the claimant and the other person are not within a prohibited relationship for the purposes of section 23B of the *Marriage Act 1961*; and

(d) the claimant and the other person:

(i) are the parents of a child who lives in the residence; or

(ii) have joint ownership of the residence; or

(iii) are joint lessees of the residence under a lease the original duration of which is at least 10 years; or

(iv) have joint assets with a total value of more than $4,000; or

(v) have joint liabilities totalling more than $1,000; or

(vi) have at any time been members of the same couple; or

(vii) have at any time shared another residence with each other;

the Secretary may give the claimant a notice that requires the claimant to give the Secretary:

(e) specified information about the claimant’s relationship with the other person; and

(f) any other information that might be relevant to the question whether the other person is the claimant’s partner.

(2)For the purposes of subsection (1), a child of a person means a child of any age and includes an adopted child.

Living separately and apart under the one roof

(3)If:

(a) a particular residence has been, for a period of at least 8 weeks, the principal home of both a claimant for parenting payment and a person of the opposite sex; and

(b) the claimant and the other person are legally married to one another; and

(c) the claimant and the other person:

(i) are living separately and apart on a permanent or indefinite basis; or

(ii) claim to be living separately and apart on a permanent or indefinite basis;

the Secretary may give the claimant a notice that requires the claimant to give the Secretary:

(d) specified information about the claimant’s relationship with the other person; and

(e) any other information that might be relevant to the question whether the claimant and the other person are living separately and apart on a permanent or indefinite basis.

Kind of information that can be specified

(4)Information specified under paragraph (1)(e) or (3)(d) is to be information:

(a) that is within the claimant’s own knowledge; or

(b) that the claimant can reasonably be expected to obtain.

Notice to state effect of failure to comply with notice

(5)A notice under subsection (1) or (3) is to state that the claimant’s claim will be taken not to have been made if the claimant does not give the Secretary the required information within 14 days after the notice is given.

##### 501F Secretary’s obligations if claimant complies with section 501E notice

De facto relationship

(1)If:

(a) a person claims parenting payment; and

(b) the Secretary gives the claimant a notice under subsection 501E(1) about the claimant’s relationship with another person to whom the claimant is not legally married; and

(c) the claimant purports to give the Secretary the information required by the notice; and

(d) the Secretary is satisfied that the claimant has given the Secretary all the relevant information;

the Secretary must form an opinion whether the claimant has a marriage-like relationship with the other person.

Note: In forming this opinion, the Secretary must apply the rule laid down in subsection 4(4).

Favourable subsection (1) determination to be followed by investigation moratorium

(2)If the Secretary forms the opinion, under subsection (1), that the claimant does not have a marriage-like relationship with the other person, the Secretary must not cause or permit any action to be taken for the purposes of, or in connection with, an investigation of the claimant’s relationship with the other person until:

(a) the Secretary has reason to believe that the claimant’s domestic circumstances have changed so that:

(i) a circumstance set out in subsection 501E(1) that did not previously apply to the claimant now applies to the claimant; or

(ii) a circumstance set out in subsection 501E(1) that previously applied to the claimant now applies to the claimant for a different reason; or

(b) 12 weeks after the Secretary formed the opinion under subsection (1) of this section;

whichever is earlier.

Living separately and apart under the one roof

(3)If:

(a) a person claims parenting payment; and

(b) the Secretary gives the claimant a notice under subsection 501E(2) about the claimant’s relationship with another person to whom the claimant is legally married; and

(c) the claimant purports to give the Secretary the information required by the notice; and

(d) the Secretary is satisfied that the claimant has given the Secretary all the relevant information;

the Secretary must form an opinion whether the claimant is living separately and apart from the other person on a permanent or indefinite basis.

Note: In forming this opinion, the Secretary must apply the rule laid down in subsection 4(5).

Favourable subsection (3) determination to be followed by investigation moratorium

(4)If the Secretary forms the opinion, under subsection (3), that the claimant is living separately and apart from the other person on a permanent or indefinite basis, the Secretary must not cause or permit any action to be taken for the purposes of, or in connection with, an investigation of the claimant’s relationship with the other person until 12 weeks after the Secretary formed that opinion.

##### 501G Effect of failure by claimant to comply with section 501E notice

If:

(a) the Secretary gives a claimant for parenting payment a notice under subsection 501E(1) or (2); and

(b) the claimant does not give the Secretary the information required by the notice within 14 days after the notice is given;

the claimant’s claim is to be taken not to have been lodged.

Note: If the claimant has to lodge a new claim for parenting payment, this may affect the date from which parenting payment can be paid.

##### 501H Secretary may request claimant to give statement of claimant’s tax file number

(1)If a claimant for parenting payment is in Australia, the Secretary may request but not compel the claimant:

(a) if the claimant has a tax file number—to give the Secretary a written statement of the claimant’s tax file number; or

(b) if the claimant does not have a tax file number:

(i) to apply to the Commissioner of Taxation for a tax file number; and

(ii) to give the Secretary a written statement of the claimant’s tax file number after the Commissioner of Taxation has issued it.

(2)Parenting payment is not payable to a claimant if, at the end of the period of 28 days after a request is made:

(a) the claimant has failed to satisfy the request; and

(b) the Secretary has not exempted the claimant from having to satisfy the request.

Note: In some cases the request can be satisfied by giving the Secretary a declaration by the claimant about the claimant’s tax file number and an authority by the claimant to the Commissioner of Taxation to give the Secretary certain information about the claimant’s tax file number (see subsections 500N(2) and (3)).

##### 501I Secretary may request claimant to give statement of partner’s tax file number

(1)If:

(a) a claimant for parenting payment is a member of a couple; and

(b) the claimant’s partner is in Australia;

the Secretary may request but not compel the claimant to give the Secretary a written statement of the tax file number of the claimant’s partner.

(2)Parenting payment is not payable to a claimant if, at the end of the period of 28 days after a request is made:

(a) the claimant has failed to satisfy the request; and

(b) the Secretary has not exempted the claimant from having to satisfy the request.

Note 1: In some cases the request can be satisfied by giving the Secretary a declaration by the partner about the partner’s tax file number and an authority by the partner to the Commissioner of Taxation to give the Secretary certain information about the partner’s tax file number (see subsections 500P(2) and (3)).

Note 2: The Secretary may waive the request in some cases (see subsection 500P(4)).

##### 501J Secretary may require claimant or partner to take action to obtain a comparable foreign payment

(1)If:

(a) a person claims parenting payment; and

(b) the Secretary is satisfied that the claimant would be entitled to a comparable foreign payment from a CFP country if the claimant applied for the payment;

the Secretary may give the claimant a notice that requires the claimant to take reasonable action to obtain the payment.

(2)If:

(a) a person claims parenting payment; and

(b) the Secretary is satisfied that the claimant’s partner would be entitled to a comparable foreign payment from a CFP country if the partner applied for the payment;

the Secretary may give the claimant a notice that requires the partner to take reasonable action to obtain the payment.

(3)A notice under subsection (1) or (2):

(a) must be in writing; and

(b) must be given personally or by post; and

(c) must specify the period within which the reasonable action is to be taken.

(4)The period specified under paragraph (3)(c) must end at least 14 days after the day on which the notice is given.

(5)The Secretary may, in spite of section 502, reject a claim if:

(a) the claimant is given a notice under subsection (1) or (2); and

(b) the Secretary is satisfied that the claimant or the claimant’s partner has not taken reasonable action to obtain the comparable foreign payment within the period specified in the notice.

(6)For the purposes of this section, a person takes reasonable action to obtain a comparable foreign payment only if the person takes reasonable action to obtain that payment at the highest rate applicable to the person.

### Division 3—Determination of claim

##### 502 Secretary to determine claim

The Secretary must, in accordance with this Act, determine the claim.

##### 502A Grant of claim

The Secretary is to determine that the claim is to be granted if the Secretary is satisfied that:

(a) the person is qualified for parenting payment; and

(b) parenting payment is payable.

##### 502B Date of effect of determination

(1)Subject to subsections (2), (3) and (4), a determination under section 502A takes effect on the day on which the determination is made or on such later day or earlier day as is specified in the determination.

Notified decision—review sought within 13 weeks

(2)If:

(a) a decision (in this subsection called the ***previous decision***) is made rejecting a person’s claim for parenting payment; and

(b) a notice is given to the person advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240, within 13 weeks after the notice is given, for review of the previous decision; and

(d) a determination granting the claim is made as a result of the application for review;

the determination takes effect on the day on which the previous decision took effect.

Notified decision—review sought after 13 weeks

(3)If:

(a) a decision (in this subsection called the ***previous decision***) is made rejecting a person’s claim for parenting payment; and

(b) a notice is given to the person advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240, more than 13 weeks after the notice is given, for review of the previous decision; and

(d) a determination granting the claim is made as a result of the application for review;

the determination takes effect on the day on which the person sought the review.

Decision not notified

(4)If:

(a) a decision (in this subsection called the ***previous decision***) is made rejecting a person’s claim for parenting payment; and

(b) no notice is given to the person to whom parenting payment is payable advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240, for review of the previous decision; and

(d) a determination granting the claim is made as a result of the application for review;

the determination takes effect on the day on which the previous decision took effect.

### Division 4—Rate of parenting payment

##### 503 How to work out a person’s parenting payment rate

A person’s parenting payment rate is worked out using:

(a) if the person is not a member of a couple—the Pension PP (Single) Rate Calculator at the end of section 1068A (see Part 3.6A); or

(b) if the person is a member of a couple—the PP (Partnered) Rate Calculator at the end of section 1068B (see Part 3.6A).

### Division 5—Payment of parenting payment

##### 504 Commencement of parenting payment

Parenting payment becomes payable to a person on the first day on which:

(a) the person is qualified for parenting payment; and

(b) no provision of this Act makes parenting payment not payable to the person.

Note 1: For qualification see section 500.

Note 2: For the circumstances in which parenting payment is not payable see section 500I.

##### 504A Payment by instalments—pension PP (single)

Subject to sections 504C and 504E, a full instalment of parenting payment is payable to a person on each pension PP (single) payday on which:

(a) the person is qualified for parenting payment; and

(b) parenting payment worked out using the Pension PP (Single) Rate Calculator at the end of section 1068A is payable to the person.

Note: For ***pension PP (single) payday*** see section 18.

##### 504B Payment by instalments—PP (partnered)

Subject to sections 504C and 504E, a full instalment of parenting payment is payable to a person on each PP (partnered) payday on which:

(a) the person is qualified for parenting payment; and

(b) parenting payment worked out using the PP (Partnered) Rate Calculator at the end of section 1068B is payable to the person.

Note: For ***PP (partnered) payday*** see section 18.

##### 504C Effect on instalments of backdating claim

If:

(a) a person claims parenting payment on a particular day (the ***claim day***); and

(b) the person’s provisional commencement day is before the claim day; and

(c) there is a parenting payment payday on or after the provisional commencement day and before the claim day;

then:

(d) no instalment of parenting payment is payable on that payday; and

(e) a full instalment of parenting payment in respect of that payday is payable on the first parenting payment payday on or after the claim day.

Note: For ***parenting payment payday*** see section 18 and for ***provisional commencement day*** see section 500K.

##### 504D Calculation of amount of instalment

Pension PP (single)

(1)Subject to section 504E,the amount of an instalment of pension PP (single) is the amount worked out by dividing the amount of the annual rate of the pension PP (single) by 26.

PP (partnered)

(2) Subject to section 504E, the amount of an instalment of PP (partnered) is the fortnightly rate of the PP (partnered).

##### 504E Calculation of amount of instalment—transfer from pension PP (single) to PP (partnered) and vice versa

Transfer from single to partnered—one week between paydays

(1) If:

(a) an instalment of PP (partnered) is payable to a person on a PP (partnered) payday; and

(b) an instalment of pension PP (single) was payable to the person on the pension PP (single) payday occurring one week before the payday referred to in paragraph (a);

the amount of the instalment of PP (partnered) is the amount worked out by dividing the amount of the fortnightly rate of the PP (partnered) by 2.

Transfer from partnered to single—one week between paydays

(2) If:

(a) an instalment of pension PP (single) is payable to a person on a pension PP (single) payday; and

(b) an instalment of PP (partnered) was payable to the person on the PP (partnered) payday occurring one week before the payday referred to in paragraph (a);

the amount of the instalment of pension PP (single) is the amount worked out by dividing the amount of the annual rate of the pension PP (single) by 52.

##### 504F Other matters affecting amount of instalment

(1) If an amount that is payable to a person on a parenting payment payday is not a multiple of 10 cents, the amount is, subject to subsection (2), to be increased or decreased to the nearest multiple of 10 cents.

(2) If an amount that is payable to a person on a parenting payment payday is not a multiple of 10 cents but is a multiple of 5 cents, the amount is to be increased by 5 cents.

(3) If:

(a) an instalment of parenting payment is payable to a person on a pension PP (single) payday; and

(b) an amount of pharmaceutical allowance is added to the person’s maximum basic rate in working out the person’s pension PP (single) rate; and

(c) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate.

(4) For the purposes of subsection (3), the person’s fortnightly PA rate is:



where:

***pharmaceutical allowance rate*** is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the person’s pension PP (single) rate.

(5) If:

(a) an instalment of parenting payment is payable to a person on a PP (partnered) payday; and

(b) an amount of pharmaceutical allowance isadded to the person’s provisional payment rate in working out the person’s PP (partnered) rate; and

(c) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate.

Note: For the provisional payment rate of PP (partnered) see Step 7 in point 1068B-A3 of the PP (Partnered) Rate Calculator in section 1068B.

(6) For the purposes of subsection (5), the person’s fortnightly PA rate is the amount applicable to the person under Table E in point 1068B-E8.

(7) If, apart from this subsection, the amount of an instalment of parenting payment would be less than $1.00, the amount is to be increased to $1.00.

##### 504G Extra payment to cover transfer gap—transfer from pension PP (single) to PP (partnered)

(1) If:

(a) a person’s parenting payment ceases to be payable at the pension PP (single) rate; and

(b) immediately after the payment ceases to be payable at that rate, parenting payment is payable to the person at the PP (partnered) rate; and

(c) there is a period of 3 weeks between the person’s final pension PP (single) payday and first PP (partnered) payday;

there is payable to the person, at a time determined by the Secretary, an amount (the ***gap supplement***) worked out under subsection (2) or (3).

(2) Subject to subsection (3), the gap supplement is the amount worked out by dividing the amount of the fortnightly rate of the PP (partnered) by 2.

(3) If:

(a) the PP (partnered) rate referred to in paragraph (1)(b) is a non-benefit PP (partnered) rate; and

(b) an instalment of social security pension is payable to the person after the person’s final pension PP (single) payday and before the person’s first PP (partnered) payday;

the person’s gap supplement is worked out by subtracting from the amount worked out under subsection (2) the amount of the instalment referred to in paragraph (b).

##### 504H Extra payment to cover transfer gap—transfer from PP (partnered) to pension PP (single)

(1) If:

(a) a person’s parenting payment ceases to be payable at the PP (partnered) rate; and

(b) immediately after the payment ceases to be payable at that rate, parenting payment is payable to the person at the pension PP (single) rate; and

(c) there is a period of 3 weeks between the person’s final PP (partnered) payday and first pension PP (single) payday;

there is payable to the person, at a time determined by the Secretary, an amount (the ***gap supplement***) worked out under subsection (2) or (3).

(2) Subject to subsection (3), the gap supplement is the amount worked out by dividing the amount of the annual rate of the pension PP (single) by 52.

(3) If:

(a) the PP (partnered) rate referred to in paragraph (1)(a) is a non-benefit PP (partnered) rate; and

(b) an instalment of social security pension is payable to the person after the person’s final PP (partnered) payday and before the person’s first pension PP (single) payday;

the person’s gap supplement is worked out by subtracting from the amount worked out under subsection (2), the amount of the instalment referred to in paragraph (b).

##### 504I Other matters affecting amount of gap supplement

(1)If an amount of gap supplement payable to a person is not a multiple of 10 cents, the amount is, subject to subsection (2), to be increased or decreased to the nearest multiple of 10 cents.

(2)If the amount is not a multiple of 10 cents but is a multiple of 5 cents, the amount is to be increased by 5 cents.

(3)If:

(a) parenting payment is payable to a person at the pension PP (single) rate; and

(b) an amount of pharmaceutical allowance is added to the person’s maximum basic rate in working out the person’s pension PP (single) rate; and

(c) apart from this subsection, the amount of the gap supplement would be less than the person’s weekly PA rate;

the amount of the gap supplement is to be increased to the person’s weekly PA rate.

(4)For the purposes of subsection (3), the person’s weekly PA rate is:



where:

***pharmaceutical allowance rate*** is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the person’s pension PP (single) rate.

(5) If:

(a) parenting payment is payable to a person at the PP (partnered) rate; and

(b) an amount of pharmaceutical allowance is added to the person’s provisional payment rate in working out the person’s PP (partnered) rate; and

(c) apart from this subsection, the amount of the gap supplement would be less than the person’s weekly PA rate;

the amount of the gap supplement is to be increased to the person’s weekly PA rate.

(6) For the purposes of subsection (5), the person’s weekly PA rate is:



where:

***pharmaceutical allowance rate*** is the amount per fortnight applicable to the person under Table E in point 1068B-E8.

(7)If, apart from this subsection, the amount of the gap supplement would be less than $1.00, the amount is to be increased to $1.00.

##### 504J Instalments to be paid to person or nominee

(1)Subject to subsection (3), instalments of a person’s parenting payment are to be paid to that person.

(2)The Secretary may direct that the whole or part of the instalments of a person’s parenting payment are to be paid to someone else on behalf of the person.

(3)If the Secretary makes a direction under subsection (2), the instalments are to be paid in accordance with the direction.

(4) In this section:

***instalment*** includes any gap supplement payable to a person under section 504G or 504H.

##### 504K Payment into bank account etc.

(1)An amount that is to be paid to a person under section 504J is to be paid in the manner set out in this section.

(2)Subject to this section, the amount is to be paid to the credit of a bank account, credit union account or building society account nominated and maintained by the person.

(3)The account may be an account that is maintained by the person either alone or jointly or in common with another person.

(4)The Secretary may direct that the whole or a part of the amount be paid to the person in a different way from that provided for by subsection (2).

(5)If the Secretary gives a direction under subsection (4), the amount is to be paid in accordance with the direction.

(6)If, at the end of the period (the ***preliminary period***) of 28 days starting on the day on which parenting payment became payable to the person:

(a) the person has not nominated an account for the purposes of subsection (2); and

(b) the Secretary has not given a direction under subsection (4) in relation to payments of parenting payment to the person;

parenting payment ceases to be payable to the person.

(7)If the person nominates an account for the purposes of subsection (2) after the end of the preliminary period, then, subject to this Part, parenting payment again becomes payable to the person and is so payable:

(a) if the nomination was made within 13 weeks after the end of the preliminary period—on and from the first day after the end of that period; or

(b) otherwise—on and from the day on which the nomination was made.

##### 504L Where parenting payment payday would fall on public holiday etc.

If the Secretary is satisfied that an amount of parenting payment that would normally be paid on a particular day cannot reasonably be paid on that day (because, for example, it is a public holiday or a bank holiday), the Secretary may direct that the amount be paid on an earlier day.

##### 504M Payment of parenting payment after death

(1)If:

(a) parenting payment is payable to a person; and

(b) the person dies; and

(c) at the date of the person’s death the person had not received an amount of parenting payment payable to him or her; and

(d) another person applies to receive that amount; and

(e) the application is made:

(i) within 26 weeks after the death; or

(ii) within a further period allowed by the Secretary in special circumstances;

the Secretary may pay the amount to the person who, in the Secretary’s opinion, is best entitled to it.

(2)If the Secretary pays an amount of parenting payment under subsection (1), the Commonwealth has no further liability to any person in respect of that amount of parenting payment.

### Division 6—Protection of parenting payment

##### 505 Parenting payment to be absolutely inalienable

(1)Subject to subsections (2) and (3) and section 1359, parenting payment is absolutely inalienable, whether by way of, or in consequence of, sale, assignment, charge, execution, bankruptcy or otherwise.

Payments to Commissioner of Taxation at recipient’s request

(2)The Secretary may make deductions from the instalments of parenting payment payable to a person where the recipient asks the Secretary:

(a) to make the deductions; and

(b) to pay the amounts to be deducted to the Commissioner of Taxation.

Note: The Secretary must make deductions from a person’s social security payment if requested by the Commissioner of Taxation (see section 1359).

Deductions from instalments with recipient’s consent

(3)The Secretary may make deductions from the instalments of parenting payment payable to a person if the recipient consents under section 1234A to the Secretary making the deductions.

Note: Section 1234A enables the Secretary to recover a debt from a person other than the debtor if the person is receiving a social security payment.

(4) In subsections (2) and (3):

***instalment*** includes any gap supplement payable to a person under section 504G or 504H.

##### 505A Effect of garnishee or attachment order

(1)If:

(a) a person has an account with a financial institution; and

(b) either or both of the following apply:

(i) instalments of parenting payment payable to the person (whether on the person’s own behalf or not) are being paid to the credit of the account;

(ii) an advance payment of parenting payment payable to the person (whether on the person’s own behalf or not) has been paid to the credit of the account; and

(c) a court order in the nature of a garnishee order comes into force in respect of the account;

the court order does not apply to the saved amount (if any) in the account.

(2)The ***saved amount*** is worked out as follows:

Method statement

*Step 1.* Work out the total amount payable to the person in respect of parenting payment or advance payment of parenting payment that has been paid to the credit of the account during the 4 week period immediately before the court order came into force.

*Step 2.* Subtract from that amount the total amount withdrawn from the account during the same 4 week period: the result is the ***saved amount***.

(3)This section applies to an account whether it is maintained by a person:

(a) alone; or

(b) jointly with another person; or

(c) in common with another person.

Note: A person affected by a garnishee order may have other saved amounts.

(4) In this section:

***instalment*** includes any gap supplement payable to a person under section 504G or 504H.

### Division 7—Recipient obligations

##### 506 Secretary may require some recipients to give information about domestic circumstances

De facto relationship

(1)If:

(a) a person is receiving parenting payment; and

(b) a particular residence has been, for a period of at least 8 weeks, the principal home of both the recipient and a person of the opposite sex; and

(c) the recipient is not legally married to the other person; and

(d) the recipient and the other person are not within a prohibited relationship for the purposes of section 23B of the *Marriage Act 1961*; and

(e) the recipient and the other person:

(i) are the parents of a child who lives in the residence; or

(ii) have joint ownership of the residence; or

(iii) are joint lessees of the residence under a lease the original duration of which is at least 10 years; or

(iv) have joint assets with a total value of more than $4,000; or

(v) have joint liabilities totalling more than $1,000; or

(vi) have at any time been members of the same couple; or

(vii) have at any time shared another residence with each other;

the Secretary may give the recipient a notice that requires the recipient to give the Secretary:

(f) specified information about the recipient’s relationship with the other person; and

(g) any other information that might be relevant to the question whether the other person is the recipient’s partner.

Note: For the effect of a failure to comply with the notice see sections 510E and 510F.

(2)For the purposes of subsection (1), a child of a person means a child of any age and includes an adopted child.

Living separately and apart under the one roof

(3)If:

(a) a person is receiving parenting payment; and

(b) a particular residence has been, for a period of at least 8 weeks, the principal home of both the recipient and a person of the opposite sex; and

(c) the recipient and the other person are legally married to one another; and

(d) the recipient and the other person:

(i) are living separately and apart on a permanent or indefinite basis; or

(ii) claim to be living separately and apart on a permanent or indefinite basis;

the Secretary may give the recipient a notice that requires the recipient to give the Secretary:

(e) specified information about the recipient’s relationship with the other person; and

(f) any other information that might be relevant to the question whether the recipient and the other person are living separately and apart on a permanent or indefinite basis.

Note: For the effect of a failure to comply with the notice see sections 510E and 510F.

Kind of information that may be specified

(4)Information specified under paragraph (1)(f) or (3)(e) is to be information:

(a) that is within the recipient’s own knowledge; or

(b) that the recipient can reasonably be expected to obtain.

Notice to state effect of failure to comply with notice

(5)A notice under subsection (1) or (3) is to state that the recipient’s parenting payment will be suspended if the recipient does not give the Secretary the required information within 14 days after the notice is given.

##### 506A Secretary’s obligations if recipient complies with section 506 notice

De facto relationship

(1)If:

(a) a person is receiving parenting payment; and

(b) the Secretary gives the recipient a notice under subsection 506(1) about the recipient’s relationship with another person to whom the recipient is not legally married; and

(c) the recipient purports to give the Secretary the information required by the notice; and

(d) the Secretary is satisfied that the recipient has given the Secretary all the relevant information;

the Secretary must form an opinion whether the recipient has a marriage-like relationship with the other person.

Note: In forming this opinion, the Secretary must apply the rule laid down in subsection 4(4).

Favourable subsection (1) determination to be followed by investigation moratorium

(2)If the Secretary forms the opinion, under subsection (1), that the recipient does not have a marriage-like relationship with the other person, the Secretary must not cause or permit any action to be taken for the purposes of, or in connection with, an investigation of the recipient’s relationship with the other person until:

(a) the Secretary has reason to believe that the recipient’s domestic circumstances have changed so that:

(i) a circumstance set out in subsection 506(1) that did not previously apply to the recipient now applies to the recipient; or

(ii) a circumstance set out in subsection 506(1) that previously applied to the recipient now applies to the recipient for a different reason; or

(b) 12 weeks after the Secretary formed the opinion under subsection (1) of this section;

whichever is earlier.

Living separately and apart under the one roof

(3)If:

(a) a person is receiving parenting payment; and

(b) the Secretary gives the recipient a notice under subsection 506(3) about the recipient’s relationship with another person to whom the recipient is legally married; and

(c) the recipient purports to give the Secretary the information required by the notice; and

(d) the Secretary is satisfied that the recipient has given the Secretary all the relevant information;

the Secretary must form an opinion whether the recipient is living separately and apart from the other person on a permanent or indefinite basis.

Note: In forming this opinion, the Secretary must apply the rule laid down in subsection 4(5).

Favourable subsection (3) determination to be followed by investigation moratorium

(4)If the Secretary forms the opinion, under subsection (3), that the recipient is living separately and apart from the other person on a permanent or indefinite basis, the Secretary must not cause or permit any action to be taken for the purposes of, or in connection with, an investigation of the recipient’s relationship with the other person until 12 weeks after the Secretary formed that opinion.

##### 506B Secretary may request recipient to give statement of recipient’s tax file number

(1)TheSecretary may request but not compel a recipient of parenting payment:

(a) if the recipient has a tax file number—to give the Secretary a written statement of the recipient’s tax file number; or

(b) if the recipient does not have a tax file number:

(i) to apply to the Commissioner of Taxation for a tax file number; and

(ii) to give the Secretary a written statement of the recipient’s tax file number after the Commissioner has issued it.

(2)Parenting payment is not payable to a recipient if, at the end of the period of 28 days after a request is made:

(a) the recipient has failed to satisfy the request; and

(b) the Secretary has not exempted the recipient from having to satisfy the request.

Note: In some cases the request can be satisfied by giving the Secretary a declaration by the recipient about the recipient’s tax file number and an authority by the recipient to the Commissioner of Taxation to give the Secretary certain information about the recipient’s tax file number (see subsections 500N(2) and (3)).

##### 506C Secretary may request recipient to give statement of partner’s tax file number

(1)The Secretary may request but not compel a recipient of parenting payment to give the Secretary a written statement of the tax file number of the recipient’s partner if the partner is in Australia.

(2)Parenting payment is not payable to a recipient if, at the end of the period of 28 days after a request is made:

(a) the recipient has failed to satisfy the request; and

(b) the Secretary has not exempted the recipient from having to satisfy the request.

Note 1: In some cases the request can be satisfied by giving the Secretary a declaration by the partner about the partner’s tax file number and an authority by the partner to the Commissioner of Taxation to give the Secretary certain information about the partner’s tax file number (see subsections 500P(2) and (3)).

Note 2: The Secretary may waive the request in some cases (see subsection 500P(4)).

##### 506D Secretary may require notice of the happening of an event or a change in circumstances

(1)The Secretary may give a person to whom parenting payment is being paid a notice that requires the person to inform the Department if:

(a) a specified event or change of circumstances occurs; or

(b) the person becomes aware that a specified event or change of circumstances is likely to occur.

(2)An event or change of circumstances is not to be specified in a notice under subsection (1) unless the occurrence of the event or change of circumstances may affect the payment of parenting payment.

(3)Subject to subsection (4), a notice under subsection (1):

(a) must be in writing; and

(b) may be given personally or by post; and

(c) must specify how the person is to give the information to the Department; and

(d) must specify the period within which the person is to give the information to the Department; and

(e) must specify that the notice is a recipient notification notice given under this Act.

Note: For ***recipient notification notice*** see subsection 23(1).

(4)A notice under subsection (1) is not invalid merely because it fails to comply with paragraph (3)(c) or (e).

(5)Subject to subsections (6) and (7), the period specified under paragraph (3)(d) must end at least 14 days after:

(a) the day on which the event or change of circumstances occurs; or

(b) the day on which the person becomes aware that the event or change of circumstances is likely to occur.

(6)If a notice requires the person to inform the Department of any proposal by the person to leave Australia, subsection (5) does not apply to that requirement.

(7)If the notice requires information about receipt of a compensation payment, the period specified under paragraph (3)(d) in relation to that information must end at least 7 days after the day on which the person becomes aware that he or she has received or is to receive a compensation payment.

(8)A person must not, without reasonable excuse, refuse or fail to comply with a notice under subsection (1) to the extent that the person is capable of complying with the notice.

Penalty: Imprisonment for 6 months.

Note: Subsection 4B(2) of the *Crimes Act 1914* allows a court that convicts an individual of an offence to impose a fine instead of, or in addition to, a term of imprisonment. The maximum fine that a court can impose on the individual is worked out by multiplying the maximum term of imprisonment (in months) by 5, and then multiplying the resulting number by the amount of a penalty unit. The amount of a penalty unit is stated in section 4AA of that Act.

(9)This section extends to:

(a) acts, omissions, matters and things outside Australia whether or not in a foreign country; and

(b) all persons irrespective of their nationality or citizenship.

##### 506E Secretary may require recipient to give particular information relevant to payment of parenting payment

(1)The Secretary may give a person to whom parenting payment is being paid a notice that requires the person to give the Department a statement about a matter that may affect the payment of parenting payment to the person.

(2)Subject to subsection (3), a notice under subsection (1):

(a) must be in writing; and

(b) may be given personally or by post; and

(c) must specify how the statement is to be given to the Department; and

(d) must specify the period within which the person is to give the statement to the Department; and

(e) must specify that the notice is a recipient statement notice given under this Act.

Note: For ***recipient statement notice*** see section 23(1).

(3)A notice under subsection (1) is not invalid merely because it fails to comply with paragraph (2)(c) or (e).

(4)The period specified under paragraph (2)(d) must end at least 14 days after the day on which the notice is given.

(5)A statement given in response to a notice under subsection (1) must be in writing and in accordance with a form approved by the Secretary.

(6)A person must not, without reasonable excuse, refuse or fail to comply with a notice under subsection (1) to the extent that the person is capable of complying with the notice.

Penalty: Imprisonment for 6 months.

Note: Subsection 4B(2) of the *Crimes Act 1914* allows a court that convicts an individual of an offence to impose a fine instead of, or in addition to, a term of imprisonment. The maximum fine that a court can impose on the individual is worked out by multiplying the maximum term of imprisonment (in months) by 5, and then multiplying the resulting number by the amount of a penalty unit. The amount of a penalty unit is stated in section 4AA of that Act.

(7)This section extends to:

(a) acts, omissions, matters and things outside Australia, whether or not in a foreign country; and

(b) all persons irrespective of their nationality or citizenship.

##### 506F Secretary may require recipient or partner to take action to obtain a comparable foreign payment

(1)If the Secretary is satisfied that a parenting payment recipient would be entitled to a comparable foreign payment from a CFP country if the recipient applied for the payment, the Secretary may give the recipient a notice that requires the recipient to take reasonable action to obtain the payment.

Note: For the consequences of failure to comply with the notice see section 510D.

(2)If the Secretary is satisfied that the partner of a parenting payment recipient would be entitled to a comparable foreign payment from a CFP country if the partner applied for the payment, the Secretary may give the recipient a notice that requires the partner to take reasonable action to obtain the payment.

Note: For the consequences of failure to comply with the notice see section 510D.

(3)A notice under subsection (1) or (2):

(a) must be in writing; and

(b) must be given personally or by post; and

(c) must specify the period within which the reasonable action is to be taken.

(4)The period specified under paragraph (3)(c) must end at least 14 days after the day on which the notice is given.

(5)For the purposes of this section, a person takes reasonable action to obtain a comparable foreign payment only if the person takes reasonable action to obtain that payment at the highest rate applicable to the person.

### Division 8—Continuation, variation and termination

#### Subdivision A—General

##### 507 Continuing effect of determination

Entitlement determination

(1)A determination that:

(a) a person’s claim for parenting payment is granted; or

(b) parenting payment is payable to a person;

continues in effect until:

(c) parenting payment ceases to be payable under section 508, 508A, 508B, 508C, 508D or 508E; or

(d) a further determination in relation to parenting payment under section 510B, 510C, 510D or 510E has taken effect.

Rate determination

(2)A determination of the rate of parenting payment continues in effect until:

(a) parenting payment becomes payable at a lower rate under section 509A, 509B, 509C, 509D or 509E; or

(b) a further determination in relation to parenting payment under section 510 or 510A has taken effect.

#### Subdivision B—Automatic termination

##### 508 Automatic termination on transfer to new payment type—person not member of a couple

(1) This section applies to a person who is not a member of a couple.

(2)If:

(a) the person is receiving parenting payment; and

(b) another social security pension or a social security benefit, youth training allowance or service pension becomes payable to the person;

parenting payment ceases to be payable to the person immediately before the day on which the other pension, benefit or allowance becomes payable to the person.

##### 508A Automatic termination on transfer to new payment type—person member of a couple

(1) This section applies to a person who is a member of a couple.

(2) If:

(a) the person is receiving parenting payment; and

(b) a social security benefit or a youth training allowance becomes payable to the person;

parenting payment ceases to be payable to the person immediately before the day on which the social security benefit or youth training allowance becomes payable to the person.

(3) If:

(a) the person is receiving parenting payment; and

(b) as a result of either a social security pension or a service pension becoming payable to the person, the person’s rate of parenting payment is nil;

parenting payment ceases to be payable to the person immediately before the day on which the social security pension or service pension becomes payable to the person.

##### 508B Automatic termination—partner receiving AUSTUDY allowance that includes dependent spouse allowance

If:

(a) a person is receiving parenting payment; and

(b) the person is a member of a couple; and

(c) as a result of an AUSTUDY allowance that includes a dependent spouse allowance becoming payable to the person’s partner, the person’s rate of parenting payment is nil;

parenting payment ceases to be payable to the person immediately before the day on which the AUSTUDY allowance becomes payable to the person’s partner.

##### 508C Automatic termination—recipient *complying* with section 506D notification obligations

If:

(a) a person who is receiving parenting payment is given a notice under section 506D; and

(b) the notice requires the person to inform the Department of the occurrence of an event or change in circumstances within a specified period (the ***notification period***); and

(c) the event or change in circumstances occurs; and

(d) the person informs the Department of the occurrence of the event or change in circumstances within the notification period in accordance with the notice; and

(e) because of the occurrence of the event or change in circumstances:

(i) the person ceases to be qualified for parenting payment; or

(ii) parenting payment would, but for this section, cease to be payable to the person; and

(f) parenting payment is not cancelled before the end of the notification period;

parenting payment continues to be payable to the person until the end of the notification period and then ceases to be payable to the person.

##### 508D Automatic termination—recipient *not complying* with section 506D notification obligations

If:

(a) a person who is receiving parenting payment is given a notice under section 506D; and

(b) the notice requires the person to inform the Department of the occurrence of an event or change in circumstances within a specified period (the ***notification period***); and

(c) the event or change in circumstances occurs; and

(d) the person does not inform the Department of the occurrence of the event or change in circumstances within the notification period in accordance with the notice; and

(e) because of the occurrence of the event or the change in circumstances:

(i) the person ceases to be qualified for parenting payment; or

(ii) parenting payment ceases to be payable to the person;

parenting payment ceases to be payable to the person immediately after the day on which the event or change in circumstances occurs.

##### 508E Automatic termination—failure to provide section 506E statement

(1)If:

(a) a person who is receiving parenting payment is given a notice under section 506E requiring the person to give the Department a statement; and

(b) the notice relates to the payment of that parenting payment during a period specified in the notice; and

(c) the person does not comply with the notice;

parenting payment, subject to subsection (2), ceases to be payable to the person as from the first day in that period.

(2)If the Secretary is satisfied that, in the special circumstances of the case, it is appropriate to do so, the Secretary may determine in writing that subsection (1) does not apply to the person from a day specified in the determination.

(3)The day specified under subsection (2) may be before or after the making of the determination.

##### 509 Changes to payments by computer following automatic termination

If:

(a) a person is receiving parenting payment on the basis of data in a computer; and

(b) parenting payment is automatically terminated by the operation of a provision of this Act; and

(c) the automatic termination is given effect to by the operation of a computer program approved by the Secretary stopping payment of parenting payment;

there is taken to be a decision by the Secretary that the automatic termination provision applies to the person’s parenting payment.

Note: The decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).

#### Subdivision C—Automatic rate reduction

##### 509A Automatic rate reduction—partner starting to receive pension, benefit or allowance

If:

(a) a person is receiving parenting payment; and

(b) the person’s partner starts to receive:

(i) a social security pension or benefit; or

(ii) a youth training allowance; or

(iii) a service pension; and

(c) the person’s parenting payment rate is reduced because of the partner’s receipt of that pension, benefit or allowance;

parenting payment becomes payable to the person at the reduced rate on the day on which the partner starts to receive that pension, benefit or allowance.

Note: This provision may apply if the partner starts to receive the pension or benefit or allowance and this affects the application of the ordinary income test to the person.

##### 509B Automatic rate reduction—recipient *complying* with section 506D notification obligations

If:

(a) a person who is receiving parenting payment is given a notice under section 506D; and

(b) the notice requires the person to inform the Department of the occurrence of an event or change in circumstances within a specified period (the ***notification period***); and

(c) the person informs the Department of the occurrence of the event or change in circumstances within the notification period in accordance with the notice; and

(d) because of the occurrence of the event or change in circumstances, the person’s rate of parenting payment is to be reduced; and

(e) the person’s rate of parenting payment is not reduced before the end of the notification period;

parenting payment becomes payable to the person at the reduced rate immediately after the end of the notification period.

##### 509C Automatic rate reduction—recipient *not complying* with section 506D notification obligations

If:

(a) a person who is receiving parenting payment is given a notice under section 506D; and

(b) the notice requires the person to inform the Department of the occurrence of an event or change in circumstances within a specified period (the ***notification period***); and

(c) the event or change in circumstances occurs; and

(d) the person does not inform the Department of the occurrence of the event or change in circumstances within the notification period in accordance with the notice; and

(e) because of the occurrence of the event or change in circumstances, the person’s rate of parenting payment is to be reduced;

parenting payment becomes payable to the person at the reduced rate immediately after the day on which the event or change in circumstances occurs.

##### 509D Automatic rate reduction—receipt of social security pension or service pension

(1) This section applies to a person if the person is a member of a couple.

(2) If:

(a) the person is receiving parenting payment; and

(b) as a result of either a social security or a service pension becoming payable to the person, the person’s rate of parenting payment is reduced;

parenting payment becomes payable to the person at the reduced rate on the day on which the social security pension or service pension becomes payable to the person.

##### 509E Automatic rate reduction—partner receiving AUSTUDY allowance that includes dependent spouse allowance

(1) This section applies to a person if the person is a member of a couple.

(2) If:

(a) the person is receiving parenting payment; and

(b) as a result of an AUSTUDY allowance that includes a dependent spouse allowance becoming payable to the person’s partner, the person’s rate of parenting payment is reduced;

parenting payment becomes payable to the person at the reduced rate on the day on which the AUSTUDY allowance becomes payable to the person’s partner.

##### 509F Changes to payments by computer following automatic reduction

If:

(a) a person is receiving parenting payment on the basis of data in a computer; and

(b) parenting payment rate is automatically reduced by the operation of a provision of this Act; and

(c) the automatic reduction is given effect to by the operation of a computer program approved by the Secretary reducing the rate of payment of parenting payment;

there is taken to be a decision by the Secretary that the automatic rate reduction provision applies to the person’s parenting payment.

Note: The decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see section 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).

#### Subdivision D—Determinations

##### 510 Rate increase determination

If the Secretary is satisfied that the rate at which parenting payment is being, or has been, paid is less than the rate provided for by this Act, the Secretary is to determine that the rate is to be increased to the rate specified in the determination.

Note: For the date of effect of a determination under this section see section 511.

##### 510A Rate reduction determination

If the Secretary is satisfied that the rate at which parenting payment is being, or has been, paid is more than the rate provided for by this Act, the Secretary is to determine that the rate is to be reduced to the rate specified in the determination.

Note 1: A determination under this section is not necessary in a case where an automatic rate reduction is produced by section 509A, 509B, 509C, 509D or 509E (see subsection 507(2)).

Note 2: For the date of effect of a determination under this section see section 511A.

##### 510B Cancellation or suspension determination

If the Secretary is satisfied that parenting payment is being, or has been, paid to a person to whom it is not, or was not, payable under this Act, the Secretary is to determine that parenting payment is to be cancelled or suspended.

Note 1: A determination under this section is not necessary in a case where an automatic termination is produced by section 508, 508A, 508B, 508C, 508D or 508E (see subsection 507(1)).

Note 2: For the date of effect of a determination under this section see section 511A.

##### 510C Cancellation or suspension for failure to comply with section 506E, 1304 or 1305 notice

If:

(a) a person who is receiving parenting payment is given a notice under section 506E, 1304 or 1305; and

(b) the person does not comply with the requirements set out in the notice;

the Secretary may determine that parenting payment is to be cancelled or suspended.

Note 1: This section will not apply in a case where section 508E or 510B applies.

Note 2: For the date of effect of a determination under this section see section 511A.

##### 510D Cancellation or suspension for failure to take action to obtain a comparable foreign payment

(1)If:

(a) a parenting payment recipient has been given a notice under subsection 506F(1); and

(b) the Secretary is satisfied that the recipient has not taken reasonable action to obtain the comparable foreign payment within the period specified in the notice;

the Secretary may determine that parenting payment is to be cancelled or suspended.

(2)If:

(a) a parenting payment recipient has been given a notice under subsection 506F(2); and

(b) the Secretary is satisfied that the recipient’s partner has not taken reasonable action to obtain the comparable foreign payment within the period specified in the notice;

the Secretary may determine that parenting payment is to be cancelled or suspended.

(3)For the purposes of this section, a person takes reasonable action to obtain a comparable foreign payment only if the person takes reasonable action to obtain that payment at the highest rate applicable to the person.

##### 510E Suspension for failure to comply with section 506 notice

(1)If:

(a) a person is receiving parenting payment; and

(b) the Secretary gives the recipient a notice under subsection 506(1) or (3) (***first notice***); and

(c) the recipient fails to give the Secretary the information required by the notice within 14 days after the notice is given;

the Secretary is to determine that parenting payment is to be suspended.

(2)If the Secretary suspends a person’s parenting payment under subsection (1), the Secretary must give the person a notice that states that the person’s parenting payment will be cancelled if the information required by the first notice is not given to the Secretary within 14 days after the notice under this subsection is given.

(3)If:

(a) the recipient’s parenting payment is suspended under subsection (1); and

(b) the recipient gives the Secretary the information required within the 14 days referred to in the notice given under subsection (2); and

(c) the Secretary forms the opinion:

(i) in the case of a recipient who has received a notice under subsection 506(1) about the recipient’s relationship with another person to whom the recipient is not legally married—that the recipient does not have a marriage‑like relationship with the other person; or

(ii) in the case of a recipient who has received a notice under subsection 506(3) about the recipient’s relationship with another person to whom the recipient is legally married—that the recipient is living separately and apart from the other person on a permanent or indefinite basis;

the recipient is entitled to be paid any amounts of parenting payment that the recipient would have been entitled to be paid if parenting payment had not been suspended under subsection (1).

##### 510F Cancellation for failure to comply with subsection 510E(2) notice

If:

(a) a person’s parenting payment is suspended under subsection 510E(1); and

(b) the person fails to give the Secretary the information required by the notice under subsection 506(1) or (3) within the 14 days referred to in the notice under subsection 510E(2);

the Secretary is to determine that parenting payment is to be cancelled.

##### 510G Resumption of payment after cancellation or suspension

(1) If:

(a) the Secretary has cancelled or suspended a recipient’s parenting payment under Subdivision D; and

(b) the Secretary reconsiders the decision to cancel or suspend parenting payment, as the case may be; and

(c) the Secretary becomes satisfied that, because of that decision:

(i) the recipient did not receive parenting payment that was payable to the recipient; or

(ii) the recipient is not receiving parenting payment that is payable to the recipient;

the Secretary is to determine that parenting payment was or is payable to the recipient.

(2) The reconsideration referred to in paragraph (1)(b) may be a reconsideration on an application under section 1240 for review or a reconsideration on the Secretary’s own initiative.

Note: For the date of effect of a determination under this section see section 511.

##### 510H Changes to payments by computer

If:

(a) payment of parenting payment to a person is based upon data in a computer; and

(b) parenting payment rate is increased or reduced, or parenting payment is cancelled or suspended, because of the operation of a computer program approved by the Secretary; and

(c) the program causes the change for a reason for which the Secretary could determine the change;

the change is taken to have been made because of a determination by the Secretary for that reason.

Note: The determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).

#### Subdivision E—Date of effect of determinations

##### 511 Date of effect of favourable determination

(1)The day on which a determination under section 510 or 510G (the ***favourable determination***) takes effect is worked out in accordance with this section.

Notified decision—review sought within 13 weeks

(2)If:

(a) a decision (the ***previous decision***) is made in relation to parenting payment; and

(b) a notice is given to the person to whom parenting payment is payable advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240, within 13 weeks after the notice is given, for review of the previous decision; and

(d) the favourable determination is made as a result of the application for review;

the determination takes effect on the day on which the previous decision took effect.

Notified decision—review sought after 13 weeks

(3)If:

(a) a decision (in this subsection called the ***previous decision***) is made in relation to parenting payment; and

(b) a notice is given to the person to whom parenting payment is payable advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240, more than 13 weeks after the notice is given, for review of the previous decision; and

(d) the favourable determination is made as a result of the application for review;

the determination takes effect on the day on which the person sought the review.

Decision not notified

(4)If:

(a) a decision (the ***previous decision***) is made in relation to parenting payment; and

(b) no notice is given to the person to whom parenting payment is payable advising the person of the making of the previous decision; and

(c) the person applies to the Secretary under section 1240 for a review of the previous decision; and

(d) the favourable determination is made as a result of the application for review;

the determination takes effect on the day on which the previous decision took effect.

Notified change of circumstances

(5)Subject to subsections (6) and (7), if the favourable determination is made following a person having advised the Department of a change in circumstances, the determination takes effect on the day on which the advice was received or on the day on which the change occurred, whichever is the later.

Notification of death—election not to receive bereavement payments

(6)If:

(a) the favourable determination is made following the death of the person’s partner; and

(b) the favourable determination is made because the person elects not to receive bereavement payments; and

(c) within the bereavement period:

(i) the person notifies the Department orally or in writing of the partner’s death; or

(ii) the Secretary otherwise becomes aware of the death;

the determination takes effect on the day after the day on which the partner died.

Notification of death—partner not receiving certain payments

(7)If:

(a) the favourable determination is made following the death of the person’s partner; and

(b) before the partner died, the partner:

(i) was not receiving a social security pension or a service pension; and

(ii) was not a long-term social security recipient; and

(c) within the period of 4 weeks that starts on the day after the day on which the partner dies:

(i) the person notifies the Department orally or in writing of the partner’s death; or

(ii) the Secretary otherwise becomes aware of the death;

the determination takes effect on the day on which the partner died.

Note 1: For ***long-term social security recipient*** see subsection 23(1).

Note 2: If the person’s partner is receiving a social security pension or service pension or is a long-term social security recipient, the person is entitled to bereavement payments and this subsection does not apply to the person.

Other determinations

(8)In any other case, the favourable determination takes effect on the day on which the determination was made or on such later day or earlier day (not being a day more than 13 weeks before the determination was made) as is specified in the determination.

##### 511A Date of effect of adverse determination

General

(1)The day on which a determination under section 510A, 510B, 510C, 510D, 510E or 510F (the ***adverse determination***) takes effect is worked out in accordance with this section.

Note: If the adverse determination depends on a discretion or opinion and a person affected by the determination applies for a review, the Secretary may continue payment pending the outcome of the review (see section 1241 (Internal Review) and section 1251 (Review by Social Security Appeals Tribunal)).

(2)The adverse determination takes effect on:

(a) the day on which the determination is made; or

(b) if another day is specified in the determination—on that day.

(3)Subject to subsections (4) to (8), the day specified under paragraph (2)(b) must be later than the day on which the determination is made.

Contravention of Act

(4)If:

(a) the person whose parenting payment is affected by the adverse determination has contravened a provision of this Act (other than section 506E, 1304, 1305, 1306 or 1307); and

(b) the contravention causes a delay in making the determination;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

False statement or misrepresentation—suspension or cancellation

(5)If:

(a) a person has made a false statement or misrepresentation; and

(b) because of the false statement or misrepresentation, parenting payment has been paid to a person when it should have been cancelled or suspended;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

False statement or misrepresentation—rate reduction

(6)If:

(a) a person has made a false statement or misrepresentation; and

(b) because of the false statement or misrepresentation, the rate at which parenting payment was paid to a person was more than it should have been;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

Payment of arrears of periodic compensation payments—suspension or cancellation

(7)If:

(a) an adverse determination is made in relation to a person because of point 1068A‑E13 or 1068B-D21 (payment of arrears of periodic compensation payments); and

(b) parenting payment has been paid to the person or the person’s partner when (because of the payment of arrears of periodic compensation) parenting payment should have been cancelled or suspended;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

Payment of arrears of periodic compensation payments—rate reduction

(8)If:

(a) an adverse determination is made in relation to a person because of point 1068A‑E13 or 1068B-D21 (payment of arrears of periodic compensation payments); and

(b) the rate at which parenting payment was paid to the person or the person’s partner was (because of the payment of arrears of periodic compensation) more than the rate at which parenting payment should have been paid;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

### Division 9—Bereavement payments

#### Subdivision A—Continuation of parenting payment after death of child

##### 512 Death of PP child—continuation of qualification for 14 weeks

(1) If:

(a) a person is receiving parenting payment (other than non‑benefit PP (partnered)) for a dependent child; and

(b) the child dies; and

(c) following the child’s death, there is no other dependent child of the person who is a PP child;

the person is qualified for parenting payment in respect of the child, for the period of 14 weeks that starts on the next day after the child’s death.

Note: For ***non-benefit PP (partnered)*** see section 18 and for ***PP child*** see sections 500D to 500H.

(2) If a person is qualified under subsection (1), the person’s parenting payment rate during the 14 weeks is to be worked out as if the child had not died.

##### 512A Death of PP child—continuation of qualification for 4 weeks

(1) If:

(a) a person is receiving non‑benefit PP (partnered) for a dependent child; and

(b) the child dies; and

(c) following the child’s death, there is no other dependent child of the person who is a PP child;

the person is qualified for parenting payment in respect of the child, for the period of 4 weeks that starts on the next day after the child’s death.

Note: For ***non-benefit PP (partnered)*** see section 18 and for ***PP child*** see sections 500D to 500H.

(2) If a person is qualified under subsection (1), the person’s parenting payment rate during the 4 weeks is to be worked out as if the child had not died.

#### Subdivision B—Death of recipient

##### 513 Death of recipient—recipient not member of a couple

(1)If:

(a) a person is receiving parenting payment; and

(b) the person is not a member of a couple; and

(c) the person dies;

there is payable, to such person as the Secretary thinks appropriate, an amount equal to the amount that would have been payable to the person under this Act on the pension PP (single) payday after the person’s death if the person had not died.

Note: For ***pension PP (single) payday*** see section 18.

(2)If an amount is paid under subsection (1) in respect of a person, the Commonwealth is not liable to any action, claim or demand for any further payment under that subsection in respect of the person.

Note 1: For amounts owing to the recipient before the recipient’s death see section 504M.

Note 2: For death of a person qualified for bereavement payments under Subdivision C see section 514E.

##### 513A Death of recipient—recipient member of a couple

If:

(a) a person is receiving parenting payment; and

(b) the person is a member of a couple; and

(c) the person dies; and

(d) the person:

(i) was qualified at the time of the person’s death for payments under Subdivision A in relation to the death of a PP child; or

(ii) would have been qualified if the person had not died; and

(e) the person’s partner claims the payments referred to in paragraph (d) within 13 weeks after the death of the child;

there is payable to the partner of the person an amount equal to the amount of parenting payment that would have been payable to the person under Subdivision A if the person had not died.

#### Subdivision C—Death of partner

##### 514 Surviving partner and deceased partner

If:

(a) a person is receiving parenting payment; and

(b) the person’s partner dies;

then, for the purposes of this Division:

(c) the person is the ***surviving partner***; and

(d) the person’s partner is the ***deceased partner***.

##### 514A Qualification for payments under this Subdivision

(1) If:

(a) a person is receiving a benefit PP (partnered); and

(b) the person’s partner dies; and

(c) immediately before the deceased partner died, he or she:

(i) was a long‑term social security recipient; or

(ii) was receiving a social security pension or a service pension; and

(d) immediately before the deceased partner died, the surviving partner was a long‑term social security recipient;

the surviving partner is qualified for payments under this Subdivision to cover the bereavement period.

Note 1: For ***benefit PP (partnered)*** see section 18 and for ***long-term social security recipient*** see subsection 23(1).

Note 2: Section 514B provides for the payment to the surviving partner, up to the first available bereavement adjustment payday, of amounts equal to the instalments that would have been paid to the deceased partner during that period if the partner had not died.

Note 3: Section 514C provides for payment to the surviving partner of a lump sum that represents the instalments that would have been paid to the deceased partner, between the first available bereavement adjustment payday and the end of the bereavement period, if the deceased partner had not died.

Note 4: For ***bereavement period*** see section 21.

(2) A surviving partner who is qualified for payments under this Subdivision may choose not to receive payments under this Subdivision.

(3) An election under subsection (2):

(a) must be made by written notice to the Secretary; and

(b) may be made after the surviving partner has been paid an amount or amounts under this Subdivision; and

(c) cannot be withdrawn after the Department has taken all the action required to give effect to that election.

##### 514B Continued payment of deceased partner’s previous entitlement

If a surviving partner is qualified for payments under this Subdivision in relation to the death of the deceased partner, there is payable to the surviving partner, on each of the deceased partner’s paydays in the bereavement rate continuation period, an amount equal to the amount that would have been payable to the deceased partner on that payday if he or she had not died.

Note: For ***bereavement rate continuation period*** see section 21.

##### 514C Lump sum payable in some circumstances

If:

(a) a surviving partner is qualified for payments under this Subdivision in relation to the death of the deceased partner; and

(b) the first available bereavement adjustment payday occurs before the end of the bereavement period;

there is payable to the surviving partner as a lump sum an amount worked out using the following Lump Sum Calculator:

Lump Sum Calculator

This is how to work out the amount of the lump sum:

Method statement

*Step 1.* Work out the amount that would have been payable to the surviving partner on the surviving partner’s payday immediately before the first available bereavement adjustment payday if:

(a) the deceased partner had not died; and

(b) if, immediately before the partner’s death, the couple were an illness separated couple or a respite care couple—they were not such a couple.

Note: For ***illness separated couple*** and ***respite care couple*** see subsections 4(7) and (8).

*Step 2.* Work out the amount that would have been payable to the deceased partner on the deceased partner’s payday immediately before the first available bereavement adjustment payday if:

(a) the deceased partner had not died; and

(b) if, immediately before the partner’s death, the couple were an illness separated couple or a respite care couple—they were not such a couple.

Note: For ***illness separated couple*** and ***respite care couple*** see subsections 4(7) and (8).

*Step 3.* Add the results of Step 1 and Step 2: the result is called the ***combined rate***.

*Step 4.* Work out the amount of pension PP (single) that would, if section 514D did not apply, have been payable to the surviving partner on the surviving partner’s payday immediately before the first available bereavement adjustment payday: the result is called the ***surviving partner’s individual rate***.

*Step 5.* Take the surviving partner’s individual rate away from the combined rate: the result is called the ***deceased partner’s instalment component***.

*Step 6.* Work out the number of the deceased partner’s paydays in the bereavement lump sum period.

*Step 7.* Multiply the deceased partner’s instalment component by the number obtained in Step 6: the result is the amount of the lump sum payable to the surviving partner under this section.

##### 514D Adjustment of person’s parenting payment rate

(1) This section applies if a surviving partner:

(a) is qualified for payments under this Subdivision; and

(b) does not elect under subsection 514A(2) not to receive payments under this Subdivision.

(2) The surviving partner’s parenting payment rate during the bereavement rate continuation period is the benefit PP (partnered) rate that would have been payable to the surviving partner if:

(a) the deceased partner had not died; and

(b) if the couple had been an illness separated couple or a respite care couple—they had not been such a couple.

(3) The surviving partner’s parenting payment rate during the bereavement lump sum period (if any) is the pension PP (single) rate.

Note 1: For ***bereavement period***, ***bereavement rate continuation period***, ***bereavement lump sum period*** and ***first available bereavement adjustment payday*** see section 21.

Note 2: For ***illness separated couple*** and ***respite care couple*** see subsections 4(7) and (8) respectively.

Note 3: For ***pension PP (single)*** and ***benefit PP (partnered)*** see section 18.

##### 514E Effect of death of surviving partner

If:

(a) a surviving partner is qualified for payments under this Subdivision in relation to the death of the deceased partner; and

(b) the surviving partner dies within the bereavement period; and

(c) the Secretary does not become aware of the death of the deceased partner before the surviving partner dies;

there is payable, as a lump sum, to any person that the Secretary thinks appropriate, an amount worked out using the following Lump Sum Calculator:

Lump Sum Calculator

This is how to work out the amount of the lump sum:

Method statement

*Step 1.* Work out the amount that would have been payable to the surviving partner on the surviving partner’s payday immediately after the day on which the surviving partner died if:

(a) neither the surviving partner nor the deceased partner had died; and

(b) if, immediately before the deceased partner’s death, the couple were an illness separated couple or a respite care couple—they were not such a couple.

Note: For ***illness separated couple*** and ***respite care couple*** see subsections 4(7) and (8).

*Step 2.* Work out the amount that would have been payable to the deceased partner on the deceased partner’s payday immediately after the day on which the surviving partner died if:

(a) neither the surviving partner nor the deceased partner had died; and

(b) if, immediately before the deceased partner’s death, the couple were an illness separated couple or a respite care couple—they were not such a couple.

Note: For ***illness separated couple*** and ***respite care couple*** see subsections 4(7) and (8).

*Step 3.* Add the results of Step 1 and Step 2: the result is called the ***combined rate***.

*Step 4.* Work out the amount of pension PP (single) that would, if section 514D did not apply, have been payable to the surviving partner on the surviving partner’s payday immediately after the day on which the surviving partner died if the surviving partner had not died: the result is called the ***surviving partner’s individual rate***.

*Step 5.* Take the surviving partner’s individual rate away from the combined rate: the result is called the ***deceased partner’s instalment component***.

*Step 6.* Work out the number of the deceased partner’s paydays in the period that commences on the day after the surviving partner dies and ends on the day on which the bereavement period ends.

*Step 7.* Multiply the deceased partner’s instalment component by the number obtained in Step 6: the result is the amount of the lump sum payable under this section.

Note: For ***bereavement period*** and ***first available bereavement adjustment payday*** see section 21.

##### 514F Matters affecting payments under this Subdivision

(1) If:

(a) the surviving partner is qualified for payments under this Subdivision; and

(b) after the deceased partner died, an amount to which the deceased partner would have been entitled if he or she had not died has been paid under this Act or under Part III of the Veterans’ Entitlements Act; and

(c) the Secretary is not satisfied that the surviving partner has not had the benefit of that amount;

the following provisions have effect:

(d) the amount referred to in paragraph (b) is not recoverable from the surviving partner or from the personal representative of the deceased partner, except to the extent (if any) that the amount exceeds the amount payable to the surviving partner under this Subdivision;

(e) the amount payable to the surviving partner under this Subdivision is to be reduced by the amount referred to in paragraph (b).

(2) If:

(a) the surviving partner is qualified for payments under this Subdivision; and

(b) an amount to which the deceased partner would have been entitled if the deceased partner had not died has been paid under this Act or under Part III of the Veterans’ Entitlements Act, within the bereavement period, into an account with a bank, credit union or building society (the ***financial institution***); and

(c) the financial institution pays to the surviving partner, out of that account, an amount not exceeding the total of the amounts paid as mentioned in paragraph (b);

the financial institution is, in spite of anything in any other law, not liable to any action, claim or demand by the Commonwealth, the personal representative of the deceased partner or anyone else in respect of the payment of that money to the surviving partner.

Note: For ***bereavement period*** see section 21.

### Division 10—Fringe benefits

##### 514G Fringe benefits—person not member of a couple

(1) This section applies to a person if the person is not a member of a couple.

(2)If the person:

(a) is receiving a pension PP (single); and

(b) is an Australian resident; and

(c) is in Australia;

the person is qualified for fringe benefits.

Note 1: For ***pension PP (single)*** see section 18.

Note 2: For ***Australian*** ***resident*** see section 7.

(3)If the person is qualified for fringe benefits, benefits and concessions of various kinds may be made available to the person by the Commonwealth, State and Territory governments and authorities and local authorities.

Note: For an example of Commonwealth benefits and concessions see the *National Health Act 1953*.

##### 514H Fringe benefits—person is member of a couple

(1) This section applies to a person if the person is a member of a couple.

(2) If:

(a) the person is receiving a benefit PP (partnered); and

(b) the person has been receiving income support payments in respect of a continuous period of at least 9 months (whether or not the kind of payment received has changed over the period and whether the period or any part of it occurred before or after the commencement of this paragraph); and

Note 1: For ***income support payment*** see subsection 23(1).

Note 2: For the determination of the continuous period in respect of which a person received income support payments see section 38B.

(c) the person has turned 60; and

(d) the person is an Australian resident; and

(e) the person is in Australia;

the person is qualified for fringe benefits.

Note 1: For ***benefit PP (partnered)*** see section 18.

Note 2: For ***income support payment*** see subsection 23(1).

Note 3: For ***Australian resident*** see section 7.

(3) If the person is qualified for fringe benefits, benefits and concessions of various kinds may be made available to the person by the Commonwealth, State and Territory governments and authorities and local authorities.

Note: For an example of Commonwealth benefits and concessions see the *National Health Act 1953*.

87 Subparagraph 615(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

88 Paragraph 660YBA(3)(b)

After “sickness allowance”, insert “, benefit PP (partnered)”.

89 Subparagraph 660YCC(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

90 Paragraph 664A(1)(b)

Omit “sole parent pension”, substitute “pension PP (single)”.

91 Paragraph 664G(1)(a)

Repeal the paragraph, substitute:

(a) the person would be qualified for a pension PP (single) apart from paragraphs 500(1)(b) and (d) (Australian residency requirements); and

92 Paragraph 665A(a)

Omit “sole parent pension”, substitute “pension PP (single)”.

93 Paragraph 665M(a)

Repeal the paragraph, substitute:

(a) the person would be qualified for a pension PP (single) apart from paragraphs 500(1)(b) and (d) (Australian residency requirements); and

94 Subparagraph 665ZU(b)(i)

Omit “parenting allowance”, substitute “PP (partnered)”.

95 Section 665ZU (note 2)

Repeal the note, substitute:

Note 2: For ***benefit PP (partnered)*** see section 18.

96 Subparagraph 689(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

97 After paragraph 729(2)(ba)

Insert:

(bb) the person is not disqualified for a PP (partnered) for the period solely because of the operation of section 500C (unemployment due to industrial action); and

98 Subparagraph 731(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

99 Paragraph 771HA(1)(f)

Omit “parenting allowance”, substitute “parenting payment”.

100 Subparagraph 771HN(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

101 Sections 775, 776, 777 and 777A

Repeal the sections.

102 After paragraph 778(b)

Insert:

Note: For ***sole parent pension*** see subsection 23(1).

103 Paragraph 778(c)

Repeal the paragraph.

104 Section 781

Repeal the section.

105 Subparagraph 784(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

106 Section 786

Repeal the section.

107 Paragraph 789(3)(a)

Omit “, a special needs wife pension or a special needs sole parent pension”, substitute “or a special needs wife pension”.

108 Paragraph 796(1)(d)

Repeal the paragraph.

109 Subsection 796(5)

Repeal the subsection.

110 Paragraph 796‑B8(a)

Omit “special needs sole parent pension or a”.

111 Part 2.18

Repeal the Part.

112 Subsection 900F(1)

Omit all the words after “Table C”, substitute “in point 1068B-C2 in Module C of the PP (Partnered) Rate Calculator in section 1068B.”.

113 Subsection 900F(2)

Omit all the words after “Table C”, substitute “in point 1068B-C2 in Module C of the PP (Partnered) Rate Calculator in section 1068B.”.

114 Paragraph 900GA(2)(b)

Omit all the words after “Table C”, substitute “in point 1068B-C2 in Module C of the PP (Partnered) Rate Calculator in section 1068B.”.

115 Subparagraph 1002(2)(a)(i)

Omit “parenting allowance”, substitute “parenting payment”.

116 At the end of section 1061A

Add:

(5) Paragraph (4)(c) does not apply to a person:

(a) who is receiving a pension PP (single); and

(b) who applies for an advance payment within the period of 28 days after ceasing to be a member of a couple.

(6) Paragraph (4)(d) does not apply to a person if:

(a) the debt the person owes to the Commonwealth arose as a result of the person’s parenting payment rate changing from benefit PP (partnered) to pension PP (single); and

(b) the amount of the debt is smaller than the amount of advance payment to which the person would be entitled under Division 4.

117 Subsection 1061ED(3) (definition of *annual payment rate*)

Repeal the definition, substitute:

***annual payment rate*** is:

(a) if the person was receiving a social security pension on the last payday before the application for the advance payment was made—the rate at which the pension was payable under the relevant Pension Rate Calculator or Pension PP (Single) Rate Calculator (as the case requires) to the person on that payday, excluding any amount payable by way of remote area allowance; or

(b) if the person was receiving a PP (partnered) on the last payday before the application for the advance payment was made—the rate at which pension PP (single) is payable to the person under the Pension PP (Single) Rate Calculator on the person’s first pension PP (single) payday after the application for the advance payment was made, excluding any amount payable by way of remote area allowance.

118 Subsection 1061EH(2) (example)

Omit “sole parent pension”, substitute “pension PP (single)”.

119 Section 1061JC (note)

Repeal the note, substitute:

Note: Pharmaceutical rates are to be found at:

(a) point 1064‑C8 of Pension Rate Calculator A;

(b) point 1065-C8 of Pension Rate Calculator B;

(c) point 1066-C7 of Pension Rate Calculator C;

(d) point 1066A-D8 of Pension Rate Calculator D;

(e) point 1066B-D8 of Pension Rate Calculator E;

(f) point 1068A-C7 of Pension PP (Single) Rate Calculator.

120 Paragraphs 1061Q(3)(a) and (3A)(a)

Omit “parenting allowance”, substitute “benefit PP (partnered)”.

121 Paragraph 1061U(2)(a)

After “payday”, insert “or pension PP (single) payday, as the case requires,”.

122 Paragraph 1061U(2)(b)

Omit “parenting allowance”, substitute “benefit PP (partnered)”.

123 Paragraph 1061U(2)(c)

Omit “parenting allowance—the first parenting allowance”, substitute “benefit PP (partnered)—the first PP (partnered)”.

124 Paragraph 1064(1)(e)

Repeal the paragraph.

125 Point 1064‑A3

Repeal the point.

126 Paragraph 1064‑E3(a)

Omit “sole parent pension”.

127 Point 1064‑H3

Repeal the point.

128 Paragraph 1066(1)(a)

Repeal the paragraph.

129 Subsection 1066(2)

Repeal the subsection.

130 Subsection 1066(3) (note 2)

Repeal the note.

131 Point 1066‑E3

Repeal the point.

132 Points 1066‑E4 and E5

Omit “or maintained”.

133 Points 1067-H5G to 1067-H5K (inclusive)

Repeal the points, substitute:

Certain leave payments taken to be ordinary income—employment continuing

1067-H5G If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of a leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

1067-H5H If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

More than one leave payment on a day

1067-H5J If:

(a) the person is covered by point 1067-H5H; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Start of income maintenance period—employment continuing

1067-H5K If the person is covered by point 1067-H5G, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

1067-H5KA If the person is covered by point 1067-H5H, the income maintenance period starts, subject to point 1067-H5KB, on the day the person is paid the leave payment.

Commencement of income maintenance period where there is a second leave payment—employment terminated

1067-H5KB If a person who is covered by point 1067-H5H is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences the day after the end of the first period.

134 Point 1067-H5P

Repeal the point, substitute:

Single payment in respect of different kinds of leave—employment terminated

1067-H5P If a person who is covered by point 1067-H5H receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points 1067-H5F to 1067-H5N (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

135 Points 1067E-G6G to 1067E-G6K (inclusive)

Repeal the points, substitute:

Certain leave payments taken to be ordinary income—employment continuing

1067E-G6G If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of a leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

1067E-G6H If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

More than one leave payment on a day

1067E-G6J If:

(a) the person is covered by point 1067E-G6H; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Start of income maintenance period—employment continuing

1067E-G6K If the person is covered by point 1067E-G6G, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

1067E-G6KA If the person is covered by point 1067E-G6H, the income maintenance period starts, subject to point 1067E-G6KB, on the day the person is paid the leave payment.

Commencement of income maintenance period where there is a second leave payment—employment terminated

1067E-G6KB If a person who is covered by point 1067E-G6H is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences the day after the end of the first period.

136 Point 1067E-G6P

Repeal the point, substitute:

Single payment in respect of different kinds of leave—employment terminated

1067E-G6P If a person who is covered by point 1067E-G6H receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points 1067E-G6F to 1067E-G6N (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

137 Section 1067E (table item 17 in Module J)

Repeal the item, substitute:

|  |  |  |
| --- | --- | --- |
| 17. | Parenting payment (other than non‑benefit PP (partnered)) | Part 2.10 |
| 17A. | Partner allowance | Part 2.15A |

138 Points 1068-G7AG to 1068-G7AK (inclusive)

Repeal the points, substitute:

Certain leave payments taken to be ordinary income—employment continuing

1068-G7AG If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of a leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

1068-G7AH If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

More than one leave payment on a day

1068-G7AJ If:

(a) the person is covered by point 1068-G7AH; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Start of income maintenance period—employment continuing

1068-G7AK If the person is covered by point 1068-G7AG, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

1068-G7AKA If the person is covered by point 1068-G7AH, the income maintenance period starts, subject to point 1068-G7AKB, on the day the person is paid the leave payment.

Commencement of income maintenance period where there is a second leave payment—employment terminated

1068-G7AKB If a person who is covered by point 1068-G7AH is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences the day after the end of the first period.

139 Point 1068-G7AP

Repeal the point, substitute:

Single payment in respect of different kinds of leave—employment terminated

1068-G7AP If a person who is covered by point 1068-G7AH receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points 1068-G7AF to 1068-G7AN (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

140 Part 3.6A

Repeal the Part, substitute:

## Part 3.6A—Parenting Payment Rate Calculator

##### 1068A Rate of parenting payment—pension PP (single)

(1) If a person is not a member of a couple, the person’s rate of parenting payment is the pension PP (single) rate.

(2) The pension PP (single) rate is worked out in accordance with the rate calculator at the end of this section.

Note: For rate of a person who is a member of a couple see section 1068B.

(3) If:

(a) a person has a relationship with a person of the opposite sex (the ***other person***); and

(b) the relationship between them is a marriage‑like relationship in the Secretary’s opinion (formed after the Secretary has had regard to all the circumstances of the relationship, including, in particular, the matters referred to in paragraphs 4(3)(a) to (e) and subsection 4(3A)); and

(c) either or both of them are under the age of consent applicable in the State or Territory in which they are living;

the person’s pension PP (single) rate is not to exceed the PP (partnered) rate which would be payable to the person if the other person were the person’s partner.

(4) If the Secretary determines in writing a higher amount in substitution for an existing amount in the rate calculator at the end of this section, the higher amount is taken, from and including 20 March 1998, to be substituted for the existing amount. A determination under this subsection is a disallowable instrument.

(5) In subsection (4):

***existing amount*** means an amount referred to in any of the following:

(a) point 1068A‑B1;

(b) point 1068A‑C7;

(c) paragraph 1068A‑D1(d)

(d) Table D of point 1068A‑D3.

### Pension PP (Single) Rate Calculator

#### Module A—Overall rate calculation process

Method of calculating rate

1068A‑A1 The rate of pension PP (single) is an annual rate (fortnightly amounts are provided for information only).

Method statement

*Step 1.* Work out the person’s ***maximum basic rate*** using Module B below.

*Step 2.* Work out the amount per year (if any) of pharmaceutical allowance using Module C below.

*Step 3.* Work out the amount per year (if any) for rent assistance using Module D below.

*Step 4.* Add up the amounts obtained in Steps 1, 2 and 3: the result is called the ***maximum******payment rate***.

*Step 5.* Apply the ordinary income test using Module E below to work out the income reduction.

*Step 6.* Take the income reduction away from the maximum payment rate: the result is called the***provisional payment rate***.

*Step 7.* The rate of pension PP (single) is the difference between:

(a) the provisional payment rate; and

(b) any advance payment deduction (see Part 3.16A);

plus any amount payable by way of remote area allowance (see Module F).

Note 1: If a person’s rate is reduced under Step 6, the order in which the reduction is to be made against the components of the maximum payment rate is laid down by section 1207 (maximum basic rate first, then rent assistance, then pharmaceutical allowance).

Note 2: In some circumstances a person may also be qualified for a pharmaceutical allowance under Part 2.22.

Note 3: An amount of remote area allowance is to be added under Step 7 only if the person’s provisional payment rate under Step 6 is greater than nil.

#### Module B—Maximum basic rate

Maximum basic rate

1068A‑B1 A person’s maximum basic rate is $9,042.80 per year ($347.80 per fortnight).

Note: The maximum basic rate is indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

#### Module C—Pharmaceutical allowance

Qualification for pharmaceutical allowance

1068A‑C1 Subject to points 1068A‑C2, 1068A‑C3 and 1068A‑C5, an additional amount by way of pharmaceutical allowance is to be added to a person’s maximum basic rate if:

(a) the person is an Australian resident; and

(b) the person is in Australia.

No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act

1068A‑C2 Pharmaceutical allowance is not to be added to a person’s maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act.

Note: A person can receive both:

(a) a disability pension under the VEA; and

(b) a payment under this Act;

and pharmaceutical allowance might be built into the disability pension rate.

No pharmaceutical allowance before advance payment period ends

1068A‑C3 Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

(a) the person has received an advance pharmaceutical allowance under:

(i) Part 2.23 of this Act; or

(ii) Division 2 of Part VIIA of the Veterans’ Entitlements Act; and

(b) the person’s advance payment period has not ended.

Note: For ***advance payment period*** see point 1068A‑C4.

Advance payment period

1068A‑C4(1) A person’s advance payment period starts on the day on which the advance pharmaceutical allowance is paid to the person.

(2) The period ends after the number of paydays worked out using the following formula have passed:



where:

***amount of advance*** is the amount of the advance paid to the person.

***pharmaceutical allowance rate*** is the yearly amount of pharmaceutical allowance which would be added to the person’s maximum basic rate in working out the person’s rate of pension PP (single) on the day on which the advance is paid if pharmaceutical allowance were to be added to the person’s maximum basic rate on that day.

No pharmaceutical allowance if annual limit reached

1068A‑C5 Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

(a) the person has received an advance pharmaceutical allowance during the current calendar year; and

(b) the total amount paid to the person for that year by way of:

(i) pharmaceutical allowance; and

(ii) advance pharmaceutical allowance;

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: For the amount paid to a person by way of pharmaceutical allowance see subsections 19A(2) to (7).

Note 2: The annual limit is affected by the following:

(a) how long during the calendar year the person was on pension or benefit;

(b) the rate of pharmaceutical allowance the person attracts at various times depending on the person’s family situation.

VEA payments taken into account

1068A‑C6 In points 1068A‑C4 and 1068A‑C5:

***advance pharmaceutical allowance*** includes advance pharmaceutical allowance under the Veterans’ Entitlements Act.

***pharmaceutical allowance*** includes pharmaceutical allowance under the Veterans’ Entitlements Act.

Amount of pharmaceutical allowance

1068A‑C7 The amount of pharmaceutical allowance is $140.40 per year ($5.40 per fortnight).

Note: The annual amount is adjusted annually in line with CPI increases (see section 1206A).

#### Module D—Rent assistance

Qualification for rent assistance

1068A‑D1 An additional amount to help cover the cost of rent is to be added to a person’s maximum basic rate if:

(a) the person is not an ineligible homeowner; and

(b) the person is not an aged care resident; and

(c) the person pays, or is liable to pay, rent (other than Government rent); and

(d) the rent is payable at a rate of more than $1,861.60 per year ($71.60 per fortnight); and

(e) the person is in Australia; and

(f) if the person is receiving family payment in respect of a dependent child who is an FP child—the standard family payment rate of the person does not exceed the minimum family payment rate of the person.

Note 1: For ***rent***, ***Government rent*** and ***ineligible homeowner*** see section 13.

Note 2: The amount in paragraph (d) is indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Annual rent affects rate of rent assistance

1068A‑D2The rate of rent assistance depends on the annual rent paid or payable by the person.

Rate of rent assistance

1068A‑D3 The rate of rent assistance per fortnight is worked out using Table D. Calculate Rate A for the person using the formula in Column 2. This will be the person’s rate of rent assistance but only up to the person’s maximum rent assistance rate. If the person is nota single person sharing accommodation, the person’s maximum rent assistance rate is Rate B in Column 3 of the table. If the person is a single person sharing accommodation, the person’s maximum rent assistance rate is two‑thirds of Rate B.

| **Table D—Rate of rent assistance** | | |
| --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Rate A** | **Column 3**  **Rate B** |
| 1 |  | $1,944.80 |

Note 1: For ***single person sharing accommodation*** see section 5A.

Note 2: The amounts in Column 2 and Column 3 are indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Annual rent

1068A‑D4 Annual rent is the annual rent paid or payable by the person.

#### Module E—Ordinary income test

Effect of income on maximum payment rate

1068A‑E1 This is how to work out the effect of a person’s ordinary income on the person’s maximum payment rate:

Method statement

*Step 1.* Work out the amount of the person’s ordinary income on a yearly basis.

*Step 2.* Work out the person’s ordinary income free area (see points 1068A‑E14 to 1068A‑E18 below).

Note: A person’s ordinary income free area is the amount of ordinary income that the person can have without any deduction being made from the person’s maximum payment rate.

*Step 3.* Work out whether the person’s ordinary income exceeds the person’s ordinary income free area.

*Step 4.* If the person’s ordinary income does not exceed the person’s ordinary income free area, the person’s ordinary income excess is nil.

*Step 5.* If the person’s ordinary income exceeds the person’s ordinary income free area, the person’s ordinary income excess is the person’s ordinary income less the person’s ordinary income free area.

*Step 6.* Use the person’s ordinary income excess to work out the person’s reduction for ordinary income using points 1068A‑E19 and 1068A‑E20 below.

Note 1: See point 1068A‑A1 (Steps 5 and 6) for the significance of the person’s reduction for ordinary income.

Note 2: The application of the ordinary income test is affected by provisions concerning the following:

(a) the general concept of ordinary income (sections 1072 and 1073);

(b) business income (sections 1074 and 1075);

(c) deemed income from financial assets (sections 1076 to 1084);

(d) income from retirement funds and annuities (sections 1095 to 1099);

(e) disposal of income (sections 1106 to 1112).

Roll‑over of lump sum leave payments

1068A‑E2 If:

(a) a person’s employment has been terminated; and

(b) as a result the person is entitled to a lump sum leave payment from the person’s former employer; and

(c) the person rolls over the lump sum leave payment into an approved deposit fund, a superannuation fund or a deferred annuity;

the lump sum leave payment is to be disregarded in working out the ordinary income of the person for the purposes of this Module.

Certain leave payments taken to be ordinary income—employment continuing

1068A‑E3 If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of the leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

1068A‑E4 If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

More than one leave payment on a day

1068A‑E5 If:

(a) the person is covered by point 1068A‑E4; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Start of income maintenance period—employment continuing

1068A‑E6 If the person is covered by point 1068A‑E3, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

1068A‑E7 If the person is covered by point 1068A‑E4, the income maintenance period starts, subject to point 1068A‑E8, on the day the person is paid the leave payment.

Commencement of income maintenance period where there is a second leave payment—employment terminated

1068A‑E8 If a person who is covered by point 1068A‑E4 is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences on the day after the end of the first period.

Secretary may determine in certain circumstances that the whole or part of an income maintenance period does not apply

1068A‑E9 The Secretary may determine that the whole or any part of an income maintenance period that would, apart from this point, apply to the person does not apply to the person if the Secretary is satisfied that:

(a) the application of the income maintenance period to the person would cause the person severe financial hardship; and

(b) the circumstances that would cause the severe financial hardship were not reasonably foreseeable by the person.

When a person receives a leave payment

1068A‑E10 For the purposes of points 1068A‑E2 to 1068A‑E9 (inclusive), a person (the ***first person***) is taken to receive a leave payment if the payment is made to another person:

(a) at the direction of the first person or a court; or

(b) on behalf of the first person; or

(c) for the benefit of the first person; or

the first person waives or assigns the first person’s right to receive the payment.

Single payment in respect of different kinds of leave—employment terminated

1068A‑E11 If a person who is covered by point 1068A‑E4 receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points 1068A‑E2 to 1068A‑E10 (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

Definitions

1068A‑E12 In points 1068A‑E2 to 1068A‑E12 (inclusive):

***leave payment*** includes a payment in respect of sick leave, annual leave, maternity leave and long service leave.

***roll‑over***, in relation to a lump sum leave payment, has the same meaning as ***roll‑over*** in section 27D of the *Income Tax Assessment Act 1936* in relation to an eligible termination payment.

Payment of arrears of periodic compensation payments

1068A‑E13 If:

(a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving a compensation affected payment; and

(b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation;

the person is taken to receive, on each day in the periodic payments period, an amount calculated by dividing the amount received by the number of days in the periodic payments period.

Note: For ***compensation affected payment*** and ***periodic payments period*** see section 17.

How to calculate a person’s ordinary income free area

1068A‑E14 A person’s ordinary income free area is worked out using Table E. The ordinary income free area is the amount in Column 2 plus the additional amount in Column 4 for each dependent child of the person.

| **Table E—Ordinary income free area** | | | | |
| --- | --- | --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Basic free area per year** | **Column 3**  **Basic free area per fortnight** | **Column 4**  **Additional free area per year** | **Column 5**  **Additional free area per fortnight** |
| 1 | $2,600 | $100 | $624 | $24 |

Note 1: For ***dependent child*** see section 5.

Note 2: The basic free area per year is indexed annually in line with CPI increases (see sections 1191 to 1194).

No additional free area for certain prescribed student children

1068A‑E15No additional free area is to be added for a dependent child who:

(a) has turned 18; and

(b) is a prescribed student child;

unless the person whose rate is being calculated receives child disability allowance for the child.

Reduction of additional free area for dependent children

1068A‑E16 The additional free area for a dependent child is reduced by the annual amount of any payment received by the person for or in respect of that particular child. The payments referred to in point 1068A‑E17 do not result in a reduction.

Payments that do not reduce additional free area

1068A‑E17 No reduction is to be made under point 1068A‑E16 for a payment:

(a) under this Act; or

(b) of maintenance income; or

(c) under the Veterans’ Entitlements Act; or

(d) under an Aboriginal study assistance scheme or the AUSTUDY scheme; or

(e) under the Assistance for Isolated Children Scheme.

Note: For ***Aboriginal study assistance scheme*** see subsection 23(1).

Examples of payments reducing additional free area

1068A‑E18Examples of the kinds of payments that result in a reduction under point 1068A‑E16 are:

(a) amounts received from State authorities or benevolent societies in respect of the boarding out of the child; or

(b) amounts of superannuation or compensation paid in respect of the child; or

(c) amounts (other than amounts covered by point 1068A‑E17) paid in respect of the child under educational schemes; or

(d) foster care allowance payments made by a State welfare authority.

Example:

Facts: Mary is a lone parent with 2 dependent children, Jim and Susan. Mary is getting a compensation payment for Jim at the rate of $40 a month. On a yearly basis, this amounts to $480.

Result: Point 1068A‑E16 applies to Mary (see paragraph 1068A‑E18(b)). As a result, the possible additional free area for Jim ($624) must be reduced by $480.

Mary’s ordinary income free area per year is therefore:



Ordinary income excess

1068A‑E19A person’s ordinary income excess is the person’s ordinary income less the person’s ordinary income free area.

Reduction for ordinary income

1068A‑E20 A person’s reduction for ordinary income is:



#### Module F—Remote area allowance

Remote area allowance

1068A‑F1 An amount by way of remote area allowance is to be added to a person’s rate if:

(a) either:

(i) the person’s rate apart from this point is greater than nil; or

(ii) apart from this point the person’s rate would be nil merely because an advance pharmaceutical allowance has been paid to the person under:

(A) Part 2.23 of this Act; or

(B) Division 2 of Part VIIA of the Veterans’ Entitlements Act; and

(b) the person’s usual place of residence is situated in a remote area; and

(c) the person is physically present in the remote area.

Note: For ***remote area*** and ***physically present in the remote area*** see section 14.

Rate of remote area allowance

1068A‑F2 The rate of remote area allowance payable to a person is worked out using Table F. The rate of remote area allowance is the amount in Column 2 plus the additional corresponding amount in Column 4 for each FP child of the person.

| **Table F—Remote area allowance** | | | | |
| --- | --- | --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Basic allowance per year** | **Column 3**  **Basic allowance per fortnight** | **Column 4**  **Additional allowance per year** | **Column 5**  **Additional allowance per fortnight** |
| 1 | $455.00 | $17.50 | $182.00 | $7.00 |

Dependent children must be physically present in Australia

1068A‑F3 Additional allowance is not payable for an FP child unless the child is physically present in Australia.

Note: For ***FP child*** see section 6.

##### 1068B Rate of parenting payment—PP (partnered)

(1) If a person is a member of a couple, the person’s rate of parenting payment is the PP (partnered) rate.

(2) The PP (partnered) rate is worked out in accordance with the rate calculator at the end of this section.

(3) If the Secretary determines in writing a higher amount in substitution for an existing amount in the rate calculator at the end of this section, the higher amount is taken, from and including 20 March 1998, to be substituted for the existing amount. A determination under this subsection is a disallowable instrument.

(4) In subsection (3):

***existing amount*** means an amount referred to in any of the following:

(a) point 1068B‑B6;

(b) Table C of point 1068B‑C2;

(c) Table E of point 1068B‑E8;

(d) Table F‑1 of point 1068B‑F2;

(e) Table F‑2 of point 1068B‑F6.

Note: For ***member of a couple*** see section 4.

### PP (Partnered) Rate Calculator

#### Module A—Overall rate calculation process

Method of calculating rate—general

1068B‑A1 The rate of PP (partnered) is a fortnightly rate. There are 2 ways of working out the rate, one for non‑benefit PP (partnered) (see point 1068B‑A2) and the other for benefit PP (partnered) (see point 1068B‑A3). Use Module B to decide whether parenting payment is a non‑benefit PP (partnered) or a benefit PP (partnered).

Method of calculating rate—non‑benefit PP (partnered)

1068B‑A2 If parenting payment is a non‑benefit PP (partnered), the rate is worked out as follows:

Method statement

*Step 1.* Work out the person’s ***maximum basic rate*** using Module C below.

*Step 2.* Apply the income test using Module D below to work out the person’s income reduction.

Note: There is no partner income reduction for the income test for non‑benefit PP (partnered)—see paragraph 1068B‑D23(a) and point 1068B‑D24.

*Step 3.* Take the income reduction away from the person’s maximum basic rate: the result is the ***provisional payment rate***.

*Step 4.* The rate of non‑benefit PP (partnered) is the difference between the provisional payment rate and any advance payment deduction (see Part 3.16A).

Method of calculating rate—benefit PP (partnered)

1068B‑A3 If parenting payment is a benefit PP (partnered), the rate of parenting payment is worked out as follows:

Method statement

*Step 1.* Work out the person’s ***maximum basic rate*** using Module C below.

*Step 2.* Apply the income test using Module D below to work out the person’s income reduction.

*Step 3.* Take the income reduction away from the person’s maximum basic rate: the result is the ***income reduced rate***.

Note: The result may be a negative amount.

*Step 4.* Identify the higher of the following amounts:

(a) the remaining partner income reduction (see point 1068B‑D26);

(b) the amount (if any) by which the person’s excess amount (worked out under Step 4 of the Method statement in point 1068B‑D32) exceeds the person’s personal income reduction calculated under Step 5 of the Method statement in point 1068B‑D32.

The amount is the ***further income reduction***.

*Step 5.* Work out the amount per fortnight (if any) of rent assistance (see Module F below). Take away from the amount per fortnight of rent assistance so much of the further income reduction as does not exceed the amount per fortnight of rent assistance. The result is the ***rent assistance amount***.

*Step 6.* Work out the amount per fortnight (if any) of pharmaceutical allowance (see Module E below). Take away from it any amount of further income reduction not applied to reduce the rent assistance amount under Step 5: the result is the ***pharmaceutical allowance amount***.

*Step 7.* Add up the amounts obtained in Steps 3, 5 and 6: the result is called the ***provisional payment rate***. If the result is a negative amount the provisional payment rate is taken to be nil.

*Step 8.*  The rate of benefit PP (partnered) is the difference between:

(a) the provisional payment rate; and

(b) any advance payment deduction (see Part 3.16A);

plus any amount payable by way of remote area allowance (see Module G).

Maximum payment rate

1068B‑A4 For the purposes of this Act, a person’s ***maximum payment rate*** of PP (partnered) is the sum of:

(a) the person’s maximum basic rate (see Module C below); and

(b) the amount per fortnight (if any) of pharmaceutical allowance (see Module E below); and

(c) any applicable additional amount for rent (see Module F below).

#### Module B—Non‑benefit and benefit PP (partnered)

Non‑benefit PP (partnered) and benefit PP (partnered)

1068B‑B1 The question whether parenting payment payable to a person is a non‑benefit PP (partnered) or a benefit PP (partnered) is decided as follows:

Method statement

*Step 1.* If point 1068B‑B2 applies to the person, parenting payment is a non‑benefit PP (partnered).

*Step 2.* If the value of the person’s assets exceeds the person’s assets value limit (see points 1068B‑B3 to 1068B‑B5), or if the person has not provided information on the value of the person’s assets, parenting payment is a non‑benefit PP (partnered).

*Step 3.* If the person has not provided information on the amount of the income of the person’s partner, parenting payment is a non‑benefit PP (partnered).

*Step 4.* If Step 1, 2 or 3 does not apply, work out the person’s ***hypothetical rate of PP (partnered)*** under point 1068B‑B7.

*Step 5.* If the rate worked out under Step 4 is greater than nil, parenting payment is a benefit PP (partnered).

*Step 6.* If the rate worked out under Step 4 is nil, parenting payment is a non‑benefit PP (partnered).

Note: The rate of benefit PP (partnered) is calculated using the Method statement in point 1068B‑A3. That Method statement operates to protect the rate of benefit PP (partnered) from falling below that which would apply if a person were a non‑benefit PP (partnered) recipient. Benefit PP (partnered) status applies to a person whose income reduction calculated without this protection would not preclude payment of parenting payment. The hypothetical rate is calculated without any rate protection to determine if this condition is met.

Parenting payment received by certain persons taken to be non‑benefit PP (partnered)

1068B‑B2 This point applies to a person if:

(a) the person is receiving a social security pension or a service pension; or

(b) the person is an armed services widow or an armed services widower; or

(c) the person’s partner is receiving an AUSTUDY allowance that includes a dependent spouse allowance; or

(d) because of the application of subsection 1164(7) or 1165(2B), the person’s rate of parenting payment is equal to the maximum basic component of parenting payment under point 1068B‑B6.

Method of working out assets value limit

1068B‑B3 A person’s assets value limit is worked out using the following table: work out which situation applies to the person; the assets value limit is the corresponding amount in the appropriate ***assets value limit*** column.

| **Table B—Assets value limits** | | | |
| --- | --- | --- | --- |
| **Column 1** | **Column 2** | **Column 3**  **Assets value limit** | |
| **Item** | **Person’s situation** | **Column 3A**  **Either person or partner homeowner** | **Column 3B**  **Neither person nor partner homeowner** |
| 1 | Partnered (partner getting neither pension nor benefit) | $178,500 | $268,500 |
| 2 | Partnered (partner getting pension or benefit) | $89,250 | $134,250 |

Note 1: For ***partnered (partner getting neither pension nor benefit)*** and ***partnered (partner getting pension or benefit)*** see subsection 4(11).

Note 2: For ***homeowner*** see subsection 11(4).

Note 3: If item 1 applies to a person, the value of all the assets of the person’s partner are to be taken as being included in the value of the person’s assets (see point 1068B‑B4). If item 2 applies to a person, the value of the person’s assets is only half the combined value of the person’s assets and the assets of the person’s partner (see point 1068B‑B5).

Note 4: If benefit PP (partnered) is not payable to a person because of the value of the person’s assets, the person may be able to take advantage of provisions dealing with financial hardship (see sections 1131 and 1132).

Note 5: The assets value limits of item 2 are indexed annually in line with CPI increases (see sections 1191 to 1194).

Note 6: The item 1 assets value limits are adjusted annually so that they are twice the corresponding item 2 limits (see subsections 1204(2) and (3)).

Partner not receiving pension or benefit

1068B‑B4 If the person is partnered (partner getting neither pension nor benefit):

(a) the value of the person’s assets includes the value of the partner’s assets; and

(b) the value of assets of a particular kind of the person includes the assets of that kind of the partner.

Note: For ***partnered (partner getting neither pension nor benefit)*** see subsection 4(11).

Partner receiving pension or benefit

1068B‑B5 If the person is partnered (partner getting pension or benefit):

(a) the value of the person’s assets is taken to be 50% of the sum of the value of the assets of the person and the value of the assets of the person’s partner; and

(b) the value of the person’s assets of a particular kind are taken to be 50% of the sum of the value of the assets of that kind of the person and the value of the assets of that kind of the person’s partner.

Note: For ***partnered (partner getting pension or benefit)*** see subsection 4(11).

Maximum basic component of parenting payment

1068B‑B6 For the purposes of this Act, the maximum basic component of parenting payment is $65.10 per fortnight.

Note: The amount is indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Method of calculating the hypothetical rate: Step 4 of Method statement in point 1068B‑B1

1068B‑B7 For the purposes of Step 4 of the Method statement in point 1068B‑B1, a person’s ***hypothetical rate of PP (partnered)*** is worked out as follows:

Method statement

*Step 1.* Work out the person’s ***maximum basic rate*** using point 1068B‑C2.

*Step 2.* Work out the amount per fortnight (if any) of rent assistance under Module F below as if paragraph 1068B‑F1(a) were omitted.

*Step 3.* Work out the amount per fortnight (if any) of pharmaceutical allowance under Module E below as if:

(a) any advance payment of pharmaceutical allowance under Part 2.23 of this Act, or Division 2 of Part VIIA of the Veterans’ Entitlements Act, had not been made; and

(b) paragraph 1068B‑E1(a) were omitted.

*Step 4.* Add up the amounts obtained in Steps 1, 2 and 3: the result is called the ***maximum payment rate***.

*Step 5.* Apply the income test, using Module D below as if points 1068B‑D25 and 1068B‑D32 were omitted, to work out the person’s ***income reduction***.

*Step 6.* Take the income reduction away from the maximum payment rate: the result is called the ***provisional payment rate***.

*Step 7.* Work out the amount of any reduction applicable under section 1168 as if subsections 1168(6) and 1168(7) were omitted.

Note: Section 1168 provides for the reduction of certain compensation affected payments where periodic compensation payments are received.

*Step 8.* Take away the result obtained in Step 7 from the provisional payment rate: the result is the person’s ***hypothetical rate***.

#### Module C—Maximum basic rate

Maximum basic rate—non‑benefit PP (partnered)

1068B‑C1 If parenting payment payable to a person is a non‑benefit PP (partnered), the person’s maximum basic rate is an amount equal to the maximum basic component of parenting payment under point 1068B‑B6.

Maximum basic rate—benefit PP (partnered)

1068B‑C2 If parenting payment payable to a person is a benefit PP (partnered), the person’s maximum basic rate is worked out using Table C. Work out the person’s family situation. The maximum basic rate is the corresponding amount in Column 3.

| **Table C—Maximum basic rates** | | |
| --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s family situation** | **Column 3**  **Rate** |
| 1 | Person not covered by item 2, 3 or 4 | $290.10 |
| 2 | Member of illness separated couple | $347.80 |
| 3 | Member of respite care couple | $347.80 |
| 4 | Partnered (partner in gaol) | $347.80 |

Note 1: For ***illness separated couple***, ***respite care couple*** and ***partnered (partner in gaol)*** see section 4.

Note 2: The rates are indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

#### Module D—Income test

Effect of income on maximum payment rate

1068B‑D1 This is how to work out the effect of a person’s ordinary income, and (if applicable) the ordinary income of the person’s partner, on the person’s maximum basic rate:

Method statement

*Step 1.* Work out the amount of the person’s ordinary income on a fortnightly basis.

Note: The amount of the person’s ordinary income is affected by points 1068B‑D2 to 1068B‑D21.

*Step 2*. Work out the partner income free area using point 1068B‑D22.

Note: The partner income free area is the maximum amount of ordinary income the person’s partner can have without affecting the person’s rate.

*Step 3.* Use point 1068B‑D23 to work out the person’s partner income excess.

*Step 4.* Use the person’s partner income excess to work out the person’s partner income reduction using points 1068B‑D24 and 1068B‑D25.

*Step 5.* Work out whether the person’s ordinary income exceeds the person’s ordinary income free area (see point 1068B‑D27).

Note: A person’s ordinary income free area is the maximum amount of ordinary income the person can have without affecting the person’s rate.

*Step 6.* If the person’s ordinary income does not exceed the person’s ordinary income free area, the person’s ordinary income excess is nil.

*Step 7.* If the person’s ordinary income exceeds the person’s ordinary income free area, the person’s ordinary income excess is the person’s ordinary income less the person’s ordinary income free area.

*Step 8.* Use the person’s ordinary income excess to work out the person’s ***ordinary income reduction*** using points 1068B‑D29 to 1068B‑D32.

*Step 9.* Add the person’s ordinary income reduction and partner income reduction: the result is the person’s income reduction referred to in Step 2 of the Method statement in points 1068B‑A2 and 1068B‑A3.

Note 1: For ***ordinary income*** see section 8.

Note 2: See points 1068B‑A2 (Step 3) and 1068B‑A3 (Step 3) for the significance of the person’s income reduction.

Note 3: The application of the ordinary income test is affected by provisions concerning the following:

(a) the general concept of ordinary income (sections 1072 and 1073);

(b) business income (sections 1074 and 1075);

(c) deemed income from financial assets (sections 1076 to 1084);

(d) income from retirement funds and annuities (sections 1095 to 1099);

(e) disposal of income (sections 1106 to 1112).

Ordinary income of members of certain couples

1068B‑D2 If a person’s partner is receiving a social security pension or a service pension, the person’s ordinary income is taken to be one half of the sum of:

(a) the amount that would be the person’s ordinary income if he or she were not a member of a couple; and

(b) the amount that would be the ordinary income of the person’s partner if the partner were not a member of a couple.

Note: Point 1068B‑D32 limits the extent to which this way of working out a person’s ordinary income can reduce the person’s rate of parenting payment.

Ordinary income of pensioners and armed services widows

1068B‑D3 For the purposes of this Module, the ordinary income of the person whose rate is being calculated is taken to include:

(a) any payment to the person of a social security pension or a service pension other than any part of such a payment by way of rent assistance, pharmaceutical allowance or remote area allowance; and

(b) if the person is an armed services widow—any payment to the person of a social security benefit other than any part of such a payment by way of rent assistance, pharmaceutical allowance or remote area allowance.

Friendly society amounts

1068B‑D4 The ordinary income of a person to whose partner a sickness allowance is payable is not to include any amount received by the person from an approved friendly society in respect of the incapacity because of which the partner is qualified for the sickness allowance.

Note: For ***approved friendly society*** see subsection 23(1).

Ordinary income includes certain periodical payments from relatives

1068B‑D5 Subject to point 1068B‑D6, in this Module, a person’s ordinary income includes a periodical payment or benefit by way of gift or allowance from the father, mother, son, daughter, brother or sister of the person.

Note: Point 1068B‑D5 reverses paragraph 8(8)(z) which excludes these amounts.

Board and lodging

1068B‑D6 A person’s ordinary income is not to include a payment to the person for board or lodging provided by the person to the person’s father, mother, son, daughter, brother or sister.

Termination payments

1068B‑D7 Subject to points 1068B‑D8 to 1068B‑D18 (inclusive), if:

(a) a person’s employment has been terminated; and

(b) as a result, the person is entitled to a lump sum payment from the person’s former employer;

the person is taken to have received the lump sum payment on the day on which the person’s employment was terminated.

Roll‑over of lump sum leave payments

1068B‑D8 If:

(a) a person’s employment has been terminated; and

(b) as a result, the person is entitled to a lump sum leave payment from the person’s former employer; and

(c) the person rolls over the lump sum leave payment into an approved deposit fund, a superannuation fund or a deferred annuity;

the lump sum leave payment is to be disregarded in working out the ordinary income of the person for the purposes of this Module.

Certain leave payments taken to be ordinary income—employment continuing

1068B‑D9 If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of the leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

1068B‑D10 If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

More than one leave payment on a day

1068B‑D11 If:

(a) the person is covered by point 1068B‑D10; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Start of income maintenance period—employment continuing

1068B‑D12 If the person is covered by point 1068B‑D9, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

1068B‑D13 If the person is covered by point 1068B‑D10, the income maintenance period starts, subject to point 1068B‑D14, on the day the person is paid the leave payment.

Commencement of income maintenance period where there is a second leave payment—employment terminated

1068B‑D14 If a person who is covered by point 1068B‑D10 is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences the day after the end of the first period.

Secretary may determine in certain circumstances that the whole or part of an income maintenance period does not apply

1068B‑D15 The Secretary may determine that the whole or any part of an income maintenance period that would, apart from this point, apply to the person does not apply to the person if the Secretary is satisfied that:

(a) the application of the income maintenance period to the person would cause the person severe financial hardship; and

(b) the circumstances that would cause the severe financial hardship were not reasonably foreseeable by the person.

When a person receives a leave payment

1068B‑D16 For the purposes of points 1068B‑D8 to 1068B‑D15 (inclusive), a person (the ***first person***) is taken to receive a leave payment if the payment is made to another person:

(a) at the direction of the first person or a court; or

(b) on behalf of the first person; or

(c) for the benefit of the first person; or

the first person waives or assigns the first person’s right to receive the payment.

Single payment in respect of different kinds of leave—employment terminated

1068B‑D17 If a person who is covered by point 1068B‑D10 receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points 1068B‑D8 to 1068B‑D16 (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

Definitions

1068B‑D18 In points 1068B‑D8 to 1068B‑D18 (inclusive):

***leave payment*** includes a payment in respect of sick leave, annual leave, maternity leave and long service leave.

***roll‑over***, in relation to a lump sum leave payment, has the same meaning as ***roll‑over*** in section 27D of the *Income Tax Assessment Act 1936* in relation to an eligible termination payment.

Period over which ordinary income taken into account

1068B‑D19 Subject to points 1068B‑D8 to 1068B‑D18 (inclusive), a person’s ordinary income is to be taken into account over such period, not exceeding 52 weeks, as the Secretary determines.

Note: This point, in conjunction with point 1068B‑D20, enables the Secretary to determine the person’s fortnightly income amount that best represents the person’s income situation.

Example 1: Barbara has a casual job. She regularly works 8 hours in one fortnight and 12 in the next. This provides her with income of $80 and $120 in the respective fortnights. The Secretary determines that each income amount will be spread over a period of two fortnights, resulting in a fortnightly income under point 1068B‑D20 of $100.

Example 2: Barbara’s partner, Ian, is a commission based salesperson. In the last year he has received 7 payments at irregular intervals, totalling $13,000. The Secretary determines that each income amount will be spread over a period of 52 weeks, resulting in a fortnightly income under point 1068B‑D20 of $500.

Fortnightly rate of ordinary income

1068B‑D20 For the purposes of this Module, the person’s ordinary income for such a period is to be reduced to a fortnightly rate rounded to the nearest cent (rounding 0.5 cents downwards).

Payment of arrears of periodic compensation payments

1068B‑D21 If:

(a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving a compensation affected payment; and

(b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation;

the person is taken to receive, on each day in the periodic payments period, an amount calculated by dividing the amount received by the number of days in the periodic payments period.

Note: For ***compensation affected payment*** and ***periodic payments period*** see section 17.

Partner income free area

1068B‑D22 The partner income free area for a person is:

(a) if the person is not receiving a social security benefit or a youth training allowance—the amount of income of the person (rounded up to the nearest dollar) beyond which newstart allowance would not be payable to the person if the person were qualified for a newstart allowance; or

(b) if the person is receiving a social security benefit or a youth training allowance—the amount of income of the person (rounded up to the nearest dollar) beyond which that benefit or allowance would not be payable to the person.

Partner income excess

1068B‑D23 If:

(a) the person’s parenting payment is a benefit PP (partnered); and

(b) the person’s partner is not receiving a social security pension or a service pension; and

(c) the partner’s ordinary income exceeds the partner income free area for the partner;

the person’s partner income excess is the amount by which the partner’s ordinary income exceeds the partner income free area. Otherwise, the person’s partner income excess is nil.

Partner income reduction

1068B‑D24 Subject to point 1068B‑D25, if a person has a partner income excess, the person’s partner income reduction is an amount equal to 70% of the part of the partner’s ordinary income that exceeds the partner income free area.

Limit on partner income reduction

1068B‑D25 If the person’s maximum basic rate less the amount that, apart from this point, would be the person’s partner income reduction does not exceed the maximum basic component of parenting payment under point 1068B‑B6, the person’s partner income reduction is taken to be the difference between:

(a) the person’s maximum basic rate; and

(b) the maximum basic component of parenting payment under point 1068B‑B6.

Remaining partner income reduction

1068B‑D26If the person’s partner income reduction is worked out under point 1068B‑D25, the person’s remaining partner income reduction (referred to in Step 4 of the Method statement in point 1068B‑A3) is taken to be the difference between:

(a) the amount worked out under point 1068B‑D24; and

(b) the amount worked out under point 1068B‑D25.

Example:

Facts: Assume the following:

(a) Barbara’s partner, Benny, has an ordinary income of $840;

(b) the partner income free area for Benny under point 1068B‑D22 is $498;

(c) Barbara’s parenting payment is a benefit parenting payment;

(d) Barbara’s maximum basic rate is $290.10;

(e) Barbara’s maximum basic component under point 1068B‑B6 is $65.10.

Result: Benny’s ordinary income exceeds the partner income free area. He therefore has a partner income excess under point 1068B‑D23 of:



Barbara’s partner income reduction under point 1068D‑D24 is therefore:



However, under point 1068B‑D25, her partner income reduction cannot exceed the difference between her maximum basic rate and the maximum basic component of parenting payment under point 1068A‑B6. This difference is:



Therefore, Barbara’s partner income reduction is $225. Under point 1068B‑D26, her remaining partner income reduction is the difference between the point 1068B‑D24 amount and the point 1068B‑D25 amount. This difference is:



Ordinary income free area

1068B‑D27 A person’s ordinary income free area is $60.

Ordinary income excess

1068B‑D28 If a person’s ordinary income exceeds the person’s ordinary income free area:

(a) the person has an ordinary income excess; and

(b) the person’s ordinary income excess is the amount by which the person’s ordinary income exceeds the person’s ordinary income free area.

Ordinary income reduction

1068B‑D29 If a person has an ordinary income excess, the person’s ordinary income reduction is the sum of:

(a) the person’s lower range reduction (see point 1068B‑D30); and

(b) the person’s upper range reduction (if any) (see point 1068B‑D31).

Note: The ordinary income reduction worked out under this point may be altered under point 1068B‑D32.

Lower range reduction

1068B‑D30 The person’s lower range reduction is an amount equal to 50% of the part of the person’s ordinary income excess that does not exceed $80.

Upper range reduction

1068B‑D31 The person’s upper range reduction is an amount equal to 70% of the part (if any) of the person’s ordinary income excess that exceeds $80.

Example:

Facts: Further to the Example at the end of point 1068B‑D26 assume Barbara’s ordinary income is $130. Her partner Benny is not receiving a social security pension or a service pension.

Result: Barbara’s ordinary income free area under point 1068B‑D27 is $60.

Her ordinary income exceeds her ordinary income free area. She therefore has an ordinary income excess under point 1068B‑D28 of:



Because her ordinary income excess does not exceed $80:

(a) her lower range reduction under point 1068B‑D30 is:



(b) there is no upper range reduction under point 1068B‑D31.

Her ordinary income reduction under point 1068B‑D29 is therefore $35.

Alteration of ordinary income reduction for members of certain couples

1068B‑D32 If the person’s partner is receiving a social security pension or a service pension, use the following Method statement to determine whether the person’s ordinary income reduction, as worked out under point 1068B‑D29, should be altered:

Method statement

*Step 1.* Work out whether the person’s ordinary income reduction would, apart from this point, have the effect of reducing the person’s maximum basic rate to an amount that is less than the maximum basic component of parenting payment under point 1068B‑B6.

Note: Point 1068B‑D2 will apply to working out the person’s ordinary income. There will be no partner income excess (see point 1068B‑D23).

*Step 2.* If it would not reduce the person’s maximum basic rate to that extent, the person’s ordinary income reduction is not altered under this point.

*Step 3.* If it would reduce the person’s maximum basic rate to that extent, work out:

(a) the person’s excess amount under Step 4; and

(b) the person’s personal income reduction under Step 5.

*Step 4.* The person’s ***excess amount*** is the amount by which the person’s ordinary income reduction would, apart from this point, reduce the person’s maximum basic rate below the maximum basic component of parenting payment.

*Step 5.* The person’s ***personal income reduction*** is the amount that would have been the person’s ordinary income reduction under this Module if:

(a) the person’s parenting payment were a non‑benefit PP (partnered); and

(b) point 1068B‑D2 did not apply (that is, if the income of the person’s partner were not taken into account in working out the person’s ordinary income).

*Step 6.* If Step 3 applies, the person’s ordinary income reduction is the sum of:

(a) the difference between the person’s maximum basic rate and the maximum basic component of parenting payment under point 1068B‑B6; and

(b) whichever is the lesser of the person’s excess amount and the person’s personal income reduction.

Example:

Facts: Margaret is receiving benefit PP (partnered). Her partner Reg has an ordinary income of $800. He is receiving a social security pension. Margaret’s ordinary income is $80. Assume that Margaret’s maximum basic rate under point 1068B‑C2 is $290.10 and that the maximum basic component of parenting payment under point 1068B‑B6 is $65.10.

Result: Margaret’s ordinary income is calculated under point 1068B‑D2. (As Reg is receiving a social security pension, Margaret has no partner income excess under point 1068B‑D23). Her ordinary income is:



Margaret’s ordinary income free area under point 1068B‑D27 is $60. Her ordinary income exceeds her ordinary income free area. She therefore has an ordinary income excess of:



Because her ordinary income excess exceeds $80:

(a) her lower range reduction under point 1068B‑D30 is:



(b) her upper range reduction under point 1068B‑D31 is:



Disregarding point 1068B‑D32, her ordinary income reduction under point 1068B‑D29 is therefore:



The application of this ordinary income reduction to Margaret’s maximum basic rate yields a result of:



This is less than the maximum basic component of parenting payment under point 1068B‑B6 ($65.10). The excess amount under Step 4 of the Method statement in point 1068B‑D32 is therefore:



Margaret’s personal income reduction is now worked out under Step 5 of the Method statement in point 1068B‑D32 as if point 1068B‑D2 does not apply and as if Margaret’s parenting payment were a non‑benefit PP (partnered). Her ordinary income excess worked out on this basis is:



Because this figure does not exceed $80:

(a) her lower range reduction under point 1068B‑D30 is:



(b) there is no upper range reduction under point 1068B‑D31.

Her personal income reduction under point 1068B‑D29 is therefore $10.

Margaret’s personal income reduction ($10) is less than her excess amount ($25). Therefore under Step 6 of the Method statement in point 1068B‑D32, Margaret’s ordinary income reduction is $235, being the sum of:

(a) the difference between her maximum basic rate and the maximum basic component of parenting payment, that is:



(b) her personal income reduction of $10.

Margaret’s rate of benefit PP (partnered) is therefore:



#### Module E—Pharmaceutical allowance

Qualification for pharmaceutical allowance

1068B‑E1 Subject to points 1068B‑E2, 1068B‑E3, 1068B‑E4 and 1068B‑E6, an additional amount by way of pharmaceutical allowance is to be included in a person’s provisional payment rate in point 1068B‑A3 if:

(a) the person’s parenting payment is a benefit PP (partnered); and

(b) the person is an Australian resident, or has a qualifying residence exemption for parenting payment; and

(c) the person is in Australia; and

(d) the person has turned 60; and

(e) the person has been receiving income support payments in respect of a continuous period of at least 9 months (whether or not the kind of payment received has changed over the period and whether the period or any part of it occurred before or after the commencement of this paragraph).

Note 1: For ***income support payment*** see subsection 23(1).

Note 2: For the determination of the continuous period in respect of which a person received income support payments see section 38B.

Note 3: For ***Australian resident*** and ***qualifying residence exemption*** see section 7.

No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act

1068B‑E2 A person is not qualified to receive pharmaceutical allowance if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act.

Note: A person can receive both:

(a) a disability pension under the VEA; and

(b) a payment under this Act;

and pharmaceutical allowance might be built into the disability pension rate.

No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans’ Entitlements Act and not a service pensioner

1068B‑E3 A person is not qualified to receive pharmaceutical allowance if:

(a) the person’s partner is receiving pharmaceutical allowance under the Veterans’ Entitlements Act; and

(b) the person’s partner is not receiving a service pension.

Note: If paragraphs (a) and (b) apply to the person’s partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person’s partner each receiving pharmaceutical allowance at the lower rate).

No pharmaceutical allowance before advance payment period ends

1068B‑E4 Pharmaceutical allowance is not to be included in a person’s provisional payment rate if:

(a) the person has received an advance pharmaceutical allowance under:

(i) Part 2.23 of this Act; or

(ii) Division 2 of Part VIIA of the Veterans’ Entitlements Act; and

(b) the person’s advance payment period has not ended.

Note: For ***advance payment period*** see point 1068B‑E5.

Advance payment period

1068B‑E5(1) A person’s advance payment period starts on the day on which the advance pharmaceutical allowance is paid to the person.

(2) The period ends after the number of paydays worked out using the following formula have passed:



where:

***amount of advance*** is the amount of the advance paid to the person.

***pharmaceutical allowance rate*** is the fortnightly amount of pharmaceutical allowance which would be included in the person’s provisional payment rate in point 1068B‑A3 in working out the PP (partnered) instalment for the day on which the advance is paid if parenting payment were payable to the person and pharmaceutical allowance were to be included in the person’s provisional payment rate in point 1068B‑A3 on that day.

Note: The person may have commenced receiving parenting payment afterhaving been a pension recipient and have received an advance while a pension recipient.

No pharmaceutical allowance if annual limit reached

1068B‑E6 Pharmaceutical allowance is not to be included in a person’s provisional payment rate if:

(a) the person has received an advance pharmaceutical allowance during the current calendar year; and

(b) the total amount paid to the person for that year by way of:

(i) pharmaceutical allowance; and

(ii) advance pharmaceutical allowance;

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: For the amount ***paid*** to a person by way of pharmaceutical allowance see subsections 19A(2) to (7).

Note 2: The annual limit is affected by:

(a) how long during the calendar year the person was on pension or benefit; and

(b) whether the person’s rate of pharmaceutical allowance varies during the calendar year.

VEA payments taken into account

1068B‑E7 In points 1068B‑E5 and 1068B‑E6:

***advance pharmaceutical allowance*** includes advance pharmaceutical allowance under the Veterans’ Entitlements Act.

***pharmaceutical allowance*** includes pharmaceutical allowance under the Veterans’ Entitlements Act.

Amount of pharmaceutical allowance

1068B‑E8 The amount of pharmaceutical allowance is the amount per fortnight worked out using Table E.

| **Table E—Pharmaceutical allowance amounts** | | |
| --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s family situation** | **Column 3**  **Amount per fortnight** |
| 1 | Person not covered by item 2, 3, 4 or 5 | $2.70 |
| 2 | Member of illness separated couple | $5.40 |
| 3 | Member of respite care couple | $5.40 |
| 4 | Partnered (partner getting service pension) | $2.70 |
| 5 | Partnered (partner in gaol) | $5.40 |

Note 1: For ***illness separated couple***, ***respite care couple*** and ***partnered (partner in gaol)*** see section 4.

Note 2: The amounts in Column 3 are indexed or adjusted annually in line with CPI increases (see sections 1191 to 1194 and 1206A).

#### Module F—Rent assistance

Rent assistance

1068B‑F1 An amount to help cover the cost of rent is to be included in a person’s provisional payment rate in the Method statement in point 1068B‑A3 for a period if:

(a) the person’s parenting payment is a benefit PP (partnered); and

(b) the person is not an ineligible homeowner; and

(c) the person is not an aged care resident; and

(d) the person pays, or is liable to pay, rent (other than Government rent) in respect of the period; and

(e) the rent is payable at a rate of more than the rent threshold rate; and

(f) the person is in Australia throughout the period; and

(g) the person’s partner is not receiving a rent increased pension; and

(h) if the person or the person’s partner is receiving family payment in respect of a dependent child who is an FP child—the standard family payment rate of the person or partner does not exceed the minimum family payment rate of the person or partner, as the case may be.

Note 1: For ***rent***, ***Government rent*** and ***ineligible homeowner*** see section 13.

Note 2: For ***rent threshold rate*** see point 1068B‑F2.

Note 3: For ***rent increased pension*** see point 1068B‑F3.

Rent threshold rate

1068B‑F2 A person’s rent threshold rate depends on the person’s family situation. Work out which family situation in Table F‑1 applies to the person. The rent threshold rate is the corresponding amount in Column 3.

| **Table F‑1—Rent threshold rates** | | |
| --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s family situation** | **Column 3**  **Amount per fortnight** |
| 1 | Person’s partner does not have rent increased benefit | $116.60 |
| 2 | Person’s partner has rent increased benefit | $116.60 |
| 3 | Member of illness separated couple | $71.60 |
| 4 | Member of respite care couple | $71.60 |
| 5 | Member of temporarily separated couple | $71.60 |
| 6 | Partnered (partner in gaol) | $71.60 |

Note 1: For ***illness separated couple***, ***respite care couple***, ***temporarily separated couple*** and ***partnered (partner in gaol)*** see section 4.

Note 2: For ***rent increased benefit*** see point 1068B‑F5.

Note 3: The Column 3 amounts are indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Partner with rent increased pension

1068B‑F3 A person has a partner with a ***rent increased pension***, for the purposes of point 1068B‑F1, if:

(a) the partner is living with the person in their home; and

(b) the partner is receiving a social security or service pension; and

(c) the rate of pension is increased to take account of rent.

Factors affecting rate of rent assistance

1068B‑F4 The rate of rent assistance depends on:

(a) the fortnightly rent paid or payable by the person; and

(b) whether or not the person has a partner who has a rent increased benefit.

Partner with rent increased benefit

1068B‑F5 A person’s partner has a ***rent increased benefit*** for the purposes of this Module if:

(a) the partner is living with the person in their home; and

(b) the partner:

(i) is receiving a social security benefit or a youth training allowance whose rate is increased to take account of rent; or

(ii) would be receiving such a benefit but for the application of the income test under Module H of Benefit Rate Calculator A, Module G of the Sickness Allowance Rate Calculator, Module G of Benefit Rate Calculator B or Module D of this Rate Calculator; or

(iii) would be receiving a youth training allowance but for the application of the income test under Module G of Part 2 of Schedule 1 to the *Student and Youth Assistance Act 1973*.

Note: For the treatment of rent paid by a member of a couple see points 1068B‑F8 and 1068B‑F9.

Rate of rent assistance

1068B‑F6 The rate of rent assistance per fortnight is worked out using Table F‑2. Work out the person’s family situation and calculate Rate A for the person using the corresponding formula in Column 3. This will be the person’s rate of rent assistance but only up to the person’s maximum rent assistance rate. The person’s maximum rent assistance rate is Rate B for the person, which is the amount in Column 4 that corresponds to the person’s family situation.

| **Table F‑2—Rate of rent assistance** | | | |
| --- | --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s family situation** | **Column 3**  **Rate A** | **Column 4**  **Rate B** |
| 1 | Person’s partner does not have rent increased benefit |  | $70.60 |
| 2 | Person’s partner has rent increased benefit |  | $35.30 |
| 3 | Member of illness separated couple |  | $74.80 |
| 4 | Member of respite care couple |  | $74.80 |
| 5 | Member of temporarily separated couple |  | $70.60 |
| 6 | Partnered (partner in goal) |  | $74.80 |

Note 1: For ***illness separated couple***, ***respite care couple***, ***temporarily separated couple*** and ***partnered (partner in gaol)*** see section 4.

Note 2: For ***rent increased benefit*** see point 1068B‑F5.

Note 3: The rent threshold amounts in Column 3 are indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Note 4: The Rate B amounts are indexed 6 monthly in line with CPI increases (see sections 1191 to 1194).

Fortnightly rent

1068B‑F7 ***Fortnightly rent*** is the fortnightly rent paid or payable by the person whose parenting payment rate is being calculated.

Rent paid by a person’s partner

1068B‑F8 If a person’s partner is living with the person in their home, any rent that the person’s partner pays or is liable to pay in respect of the home is to be treated as paid or payable by the person.

Rent paid by a member of an illness separated couple

1068B‑F9 If a person is a member of an illness separated couple, any rent that the person’s partner pays or is liable to pay in respect of the premises or lodgings occupied by the person is to be treated as paid or payable by the person.

Note: For ***illness separated couple*** see section 4.

#### Module G—Remote area allowance

Remote area allowance—person physically in remote area

1068B‑G1 An amount by way of remote area allowance is to be added in Step 8 of the Method statement in point 1068B‑A3 to a person’s rate of parenting payment if:

(a) the person’s parenting payment is a benefit PP (partnered); and

(b) either:

(i) the person’s rate of parenting payment apart from this point is greater than nil; or

(ii) apart from this point the person’s rate would be nil merely because an advance pharmaceutical allowance has been paid to the person under Part 2.23 of this Act or Division 2 of Part VIIA of the Veterans’ Entitlements Act; and

(c) the person’s usual place of residence is in a remote area; and

(d) the person is physically present in the remote area.

Note 1: For ***remote area*** see subsection 14(1).

Note 2: A person may be considered to be physically present in a remote area during temporary absences—see subsection 14(2).

Rate of remote area allowance

1068B‑G2 The rate of remote area allowance payable to a person is worked out using Table G. Work out which family situation in the table applies to the person. The rate of remote area allowance is the corresponding amount in Column 3 plus the additional corresponding amount in Column 4 for each FP child of the person.

| **Table G—Remote area allowance** | | | |
| --- | --- | --- | --- |
| **Column 1**  **Item** | **Column 2**  **Person’s family situation** | **Column 3**  **Basic allowance** | **Column 4**  **Additional allowance for each FP child** |
| 1 | Person not covered by item 2, 3 or 4 | $15.00 | $7.00 |
| 2 | Member of illness separated couple | $17.50 | $7.00 |
| 3 | Member of respite care couple | $17.50 | $7.00 |
| 4 | Partnered (partner in gaol) | $17.50 | $7.00 |

Note: For ***illness separated couple, respite care couple*** and ***partnered (partner in gaol)*** see section 4.

Meaning of remote area allowance

1068B‑G3 In point 1068B‑G2, remote area allowance means:

(a) an amount added to a person’s social security pension or benefit by way of remote area allowance; or

(b) a remote area allowance payable under the following provisions of the VEA:

(i) Service Pension Rate Calculator Where There Are No Dependent Children (point 41‑G1);

(ii) Service Pension Rate Calculator Where There Are Dependent Children (point 42‑H1);

(iii) Service Pension Rate Calculator For Blinded Veterans (point 43‑E1);

(iv) Service Pension Rate Calculator For Widows, Widowers and Non‑Illness Separated Spouses (point 44‑G1).

Dependent children must be physically present in Australia

1068B‑G4 Additional allowance is not payable for a dependent child unless the dependent child is physically present in Australia.

Additional amount of remote area allowance where partner has an FP child but is not receiving additional remote area allowance for the FP child

1068B‑G5 If:

(a) an amount of remote area allowance is to be added to the person’s rate; and

(b) the person’s partner has an FP child; and

(c) the person’s partner is not receiving an additional amount of remote area allowance for the FP child;

the child is taken, for the purposes of this Module, to be an FP child of the person.

141 Paragraph 1069‑F2(1)(c)

Repeal the paragraph, substitute:

(c) the person is partnered (partner in gaol); or

(d) the person is a member of a respite care couple.

142 Point 1070‑E2

Omit “parenting allowance”, substitute “PP (partnered)”.

143 Point 1070‑E5 (step 1 of Table E)

Omit “parenting allowance (see point 1068A‑B6)”, substitute “parenting payment (see point 1068B‑B6)”.

144 Section 1072 (second sentence of note 1)

Omit the sentence, substitute:

See also point 1068B-D3 (PP (Partnered) Rate Calculator).

145 Section 1073

Omit “and 1068A-D8A to 1068A-D8J”, substitute “, 1068A-E2 to 1068A-E12 (inclusive) and 1068B-D7 to 1068B-D18”.

146 After paragraph 1100(3)(a)

Insert:

(aa) section 1068A (Pension PP (Single) Rate Calculator).

147 Paragraphs 1106(2)(a) and (b)

Omit “parenting allowance”, substitute “non‑benefit PP (partnered)”.

148 Subsections 1109(1A) and (1B)

Omit “parenting allowance”, substitute “non‑benefit PP (partnered)”.

149 Subsection 1118(1)

Omit “263(1)(d)(iv)”, substitute “501E(1)(d)(iv)”.

150 Subsection 1118A(2), section 1118AA and subsection 1119(1)

Omit “263(1)(d)(iv)”, substitute “501E(1)(d)(iv)”.

151 Paragraphs 1123(2)(a) and (b)

Omit “parenting allowance”, substitute “non‑benefit PP (partnered)”.

152 After subsection 1129(1)

Insert:

(1A) In subsection (1):

***social security pension*** does not include a pension PP (single).

Note: Financial hardship rules for pension PP (single) are contained in sections 1130B and 1130C.

153 After section 1130A

Insert:

##### 1130B Access to financial hardship rules—pension PP (single)

(1) If:

(a) a pension PP (single) is not payable to a person because of the application of an assets test; and

(b) the person is not receiving and is not eligible to apply for acceptable alternative Commonwealth income support; and

(c) either:

(i) sections 1108 and 1109 (disposal of income) and 1124A, 1125, 1125A and 1126 (disposal of assets) do not apply to the person; or

(ii) the Secretary decides that the application of those sections to the person should, for the purposes of this section, be disregarded; and

(d) the person has an unrealisable asset; and

(e) the person lodges with the Department, in a form approved by the Secretary, a request that this section apply to the person; and

(f) the Secretary is satisfied that the person would suffer severe financial hardship if this section did not apply to the person;

the Secretary must determine that this section applies to the person.

Note: For ***unrealisable asset*** see subsections 11(12) and (13).

(2) A reference in subsection (1) to ***acceptable alternative Commonwealth income support*** in relation to a person is a reference to payments (other than payments under the *Farm Household Support Act 1992*):

(a) that are made available by the Commonwealth by way of income support; and

(b) the rate of which is not less than the rate of pension PP (single) that would be applicable to the person if pension PP (single) were payable to the person.

(3) A decision under subsection (1) takes effect:

(a) on the day on which the request under paragraph (1)(e) was lodged with the Department; or

(b) if the Secretary so decides in the special circumstances of the case—on a day not more than 6 months before the day on which the request under paragraph (1)(e) was lodged with the Department.

##### 1130C Application of financial hardship rules—pension PP (single)

Value of unrealisable asset to be disregarded

(1) If section 1130B applies to a person, the value of any unrealisable asset of the person is to be disregarded in working out whether a pension PP (single) is payable to the person.

Deduction from pension PP (single) maximum payment rate

(2) If section 1130B applies to a person, there is to be deducted from the person’s pension PP (single) maximum payment rate an amount equal to the person’s adjusted annual rate of ordinary income.

Note: For ***maximum payment rate*** see Step 4 of the method statement in point 1068A‑A1.

Adjusted annual rate of ordinary income

(3) The ***adjusted annual rate of ordinary income*** of a person who is not a financial hardship farmer is an amount per year equal to the sum of:

(a) the person’s annual rate of ordinary income (other than income from assets); and

(b) the person’s annual rate of ordinary income from assets that are not assets tested; and

(c) either:

(i) the person’s annual rate of ordinary income from unrealisable assets; or

(ii) the person’s notional annual rate of ordinary income from unrealisable assets;

whichever is the greater; and

(d) an amount per year equal to $26.00 for each $250 of the value of the person’s assets (other than disregarded assets).

Note: For ***financial hardship farmer*** see subsection 23(1).

(4) The ***adjusted annual rate of ordinary income*** of a person who is a financial hardship farmer is an amount per year equal to the sum of:

(a) the person’s annual rate of ordinary income (other than income from assets); and

(b) the person’s annual rate of ordinary income from assets that are not assets tested; and

(c) either:

(i) the person’s annual rate of ordinary income from unrealisable assets that are not subsection 11(14) assets; or

(ii) the person’s notional annual rate of ordinary income from those assets;

whichever is the greater; and

(d) either:

(i) the person’s annual rate of ordinary income from subsection 11(14) assets; or

(ii) the amount per year that the person could reasonably be expected to obtain from a commercial lease or hiring of those assets;

whichever is the lesser; and

(e) an amount per year equal to $26.00 for each $250 of the value of the person’s assets (other than disregarded assets).

Note: For ***financial hardship farmer*** see subsection 23(1).

Assets tested asset

(5) For the purposes of subsections (3) and (4), an asset is ***not assets tested*** if the value of the asset is to be disregarded under subsection 1118(1).

Notional annual rate of ordinary income from unrealisable assets

(6) A person’s ***notional annual rate of ordinary income*** from unrealisable assets is:

(a) the amount per year equal to 2.5 per cent of the value of the person’s unrealisable assets; or

(b) the amount per year that could reasonably be expected to be obtained from a purely commercial application of the person’s unrealisable assets;

whichever is the lesser.

(7) Subsection (2) applies:

(a) subject to subsection (9); and

(b) despite section 500Q.

(8) If:

(a) a person has disposed of assets and section 1125 or 1126 applies to the disposition; and

(b) the Secretary has made a determination under paragraph 1130B(1)(c) in relation to the disposition;

this section applies to the person as if the person had not disposed of the assets.

(9) If the sum of the rate of pension PP (single) that would, apart from this subsection, be payable to a person and the annual rate of ordinary income of the person exceeds the maximum payment rate, the rate so payable is to be reduced by the amount per year of the excess.

154 Subsection 1131(2A)

Omit “parenting allowance”, substitute “PP (partnered)”.

155 Subsection 1131(2A) (note)

Repeal the note, substitute:

Note: For non-benefit PP (partnered) see Module B of the PP (Partnered) Rate Calculator at the end of section 1068B.

156 Subparagraph 1133(1)(a)(iv)

Repeal the subparagraph.

157 Subparagraph 1133(2)(a)(v)

Repeal the subparagraph.

158 Subsection 1134(3)

Omit “313,”.

159 Subsection 1158(1)

After “social security pension”, insert “(other than pension PP (single))”.

160 Section 1158 (note 1)

Repeal the note, substitute:

Note 1: If someone else is receiving a payment that depends on the person in gaol receiving one of these payments, that other person’s payment is not payable during the period identified in this section.

161 Paragraphs 1159(1)(a) and (2)(a)

After “social security pension”, insert “(other than pension PP (single))”.

162 Division 2 of Part 3.13 (heading)

Repeal the heading, substitute:

### Division 2—Social security benefits (excluding parenting payment)

163 Section 1160

Omit “parenting allowance”, substitute “parenting payment”.

164 Division 3 of Part 3.13 (heading)

Repeal the heading, substitute:

### Division 3—Parenting payment

165 Section 1162

Omit “allowance” (wherever occurring), substitute “payment”.

166 At the end of section 1162

Add:

Note: For ***parenting payment*** see section 18.

167 Subsection 1163(7)

After “sole parent pension”, insert “or a pension PP (single)”.

168 Subsection 1164(7)

Omit “allowance” (wherever occurring), substitute “payment”.

169 Subsection 1164(7)

Omit “granted to”, substitute “granted, or being payable, to”.

170 Subsection 1164(7) (note)

Omit all the words after “parenting”, substitute “payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.”.

171 Subsections 1165(2) and (2AA)

Omit “If”, substitute “Subject to subsection (2B), if”.

172 Paragraphs 1165(2)(a) and (2AA)(a)

Omit “(other than a parenting allowance)”.

173 Subsections 1165(2A) and (2AAA)

Repeal the subsections.

174 Subsection 1165(2B)

Omit “allowance” (wherever occurring), substitute “payment”.

175 Subsection 1165(2B) (note)

Omit all the words after “parenting”, substitute “payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.”.

176 Subsections 1166(4A) and (4B)

Omit “allowance” (wherever occurring), substitute “payment”.

177 Subsections 1168(4) and (5)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

178 Subsection 1168(5) (notes)

Omit “allowance” (wherever occurring), substitute “payment”.

179 Subsection 1168(6)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

180 Subsection 1168(6) (note)

Repeal the note, substitute:

Note: For the maximum basic component of parenting payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

181 Subsection 1168(7)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

182 Subsection 1168(7) (note)

Repeal the note, substitute:

Note: For the maximum basic component of parenting payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

183 Subsection 1170(1) (note)

Omit “, 300(7) and (8) (sole parent pension)”.

184 Subsection 1170(1) (note)

Before “660L(7)”, insert “511A(7) and (8),”.

185 Subsection 1170(1) (note)

Omit “or 951U(7) and (8) (parenting allowance)”.

186 Subsection 1170(4A)

Omit “If”, substitute “Subject to subsection (4B), if”.

187 Subsection 1170(4B)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

188 Subsection 1170(4B) (note 1)

Repeal the note, substitute:

Note 1: For the maximum basic component of parenting payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

189 Subsection 1170(4B) (note 2)

Omit “allowance” (wherever occurring), substitute “payment”.

190 Subsection 1174(6AA)

Omit “allowance” (wherever occurring), substitute “payment”.

191 Subsection 1174(6AA) (note)

Repeal the note, substitute:

Note: For the maximum basic component of parenting payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

192 Subsection 1179(6AA)

Omit “allowance” (wherever occurring), substitute “payment”.

193 Subsection 1179(6AA) (note)

Repeal the note, substitute:

Note: For the maximum basic component of parenting payment see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B.

194 At the end of Division 6 of Part 3.14

Add:

##### 1185A References to parenting payment etc. to include references to parenting allowance

For the purposes of the application of this Part, a term set out in the second column of the table below is taken to include a reference to the corresponding term set out in the third column of the table:

| **Terminology Table** | | |
| --- | --- | --- |
| **Item** | **Term** | **Term included** |
| 1 | parenting payment | parenting allowance |
| 2 | PP (partnered) | parenting allowance |
| 3 | maximum basic rate of PP (partnered) | maximum basic rate of parenting allowance |
| 4 | maximum basic component of parenting payment | maximum basic component of parenting allowance |

Note: For ***parenting allowance*** see subsection 23(1).

195 Subparagraph 1187(1)(a)(iv)

Repeal the subparagraph, substitute:

(iv) parenting payment; or

196 Subparagraph 1187(1A)(a)(v)

Repeal the subparagraph.

197 Section 1190 (table item 1, at the end of column 4)

Add:

|  |
| --- |
| [Pension PP (Single) Rate Calculator—point 1068A-B1] |

198 Section 1190 (table item 2, column 2)

Omit “parenting allowance”, substitute “PP (partnered)”.

199 Section 1190 (table item 2, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-C2—Table C—column 3—all amounts] |

200 Section 1190 (table item 17, at the end of column 4)

Add:

|  |
| --- |
| [Pension PP (Single) Rate Calculator—point 1068A-D3—Table D—column 3] |

201 Section 1190 (table item 17A, at the end of column 4)

Add:

|  |
| --- |
| [Pension PP (Single) Rate Calculator—paragraph 1068A‑D1(d)—annual amount] |

202 Section 1190 (table items 18 and 18A, column 2)

Omit “parenting allowance”, substitute “PP (partnered)”.

203 Section 1190 (table item 18, column 4, entries referring to Parenting Allowance Rate Calculator)

Repeal the entries, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-F6—Table F-2—column 4—all amounts] |

204 Section 1190 (table item 18A, column 4, entries referring to Parenting Allowance Rate Calculator)

Repeal the entries, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-F2—Table F-1—column 3—all amounts] |
| [PP (Partnered) Rate Calculator—point 1068B-F6—Table F-2—column 3—all amounts] |

205 Section 1190 (table item 20, at the end of column 4)

Add:

|  |
| --- |
| [Pension PP (Single) Rate Calculator—point 1068A-E14—Table E—column 2] |

206 Section 1190 (table items 24 and 25, column 2)

After “social security pension”, insert “(other than pension PP (single))”.

207 Section 1190 (table items 28 and 29, column 2)

After “limit for”, insert “pension PP (single) and”.

208 Section 1190 (table item 28, at the end of column 4)

Add:

|  |
| --- |
| [subsection 500Q(2)—table—column 3—item 1] |

209 Section 1190 (table item 29, at the end of column 4)

Add:

|  |
| --- |
| [subsection 500Q(2)—table—column 3—item 2] |

210 Section 1190 (table items 30, 31, 32 and 33, column 2)

Omit “parenting allowance”, substitute “PP (partnered)”.

211 Section 1190 (table item 30, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-B3—Table B—column 3A—item 1] |

212 Section 1190 (table item 31, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-B3—Table B—column 3B—item 1] |

213 Section 1190 (table item 32, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-B3—Table B—column 3A—item 2] |

214 Section 1190 (table item 33, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-B3—Table B—column 3B—item 2] |

215 Section 1190 (table item 44, at the end of column 4)

Add:

|  |
| --- |
| [Pension PP (Single) Rate Calculator—point 1068A-C7] |

216 Section 1190 (table item 47, paragraph (b) of column 2)

Repeal the paragraph.

217 Section 1190 (table item 47, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-E8—Table E—column 3—item 1] |

218 Section 1190 (table item 49, column 2)

Omit “or a parenting allowance”.

219 Section 1190 (table item 49, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-E8—Table E—column 3—items 2 and 3] |

220 Section 1190 (table items 49B and 49D, paragraph (b) of column 2)

Repeal the paragraphs.

221 Section 1190 (table item 49B, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-E8—Table E—column 3—item 4] |

222 Section 1190 (table item 49D, column 4, entry referring to Parenting Allowance Rate Calculator)

Repeal the entry, substitute:

|  |
| --- |
| [PP (Partnered) Rate Calculator—point 1068B-E8—Table E—column 3—item 5] |

223 Section 1190 (table item 49E (first occurring))

Repeal the item.

224 Section 1190 (table item 49K)

Repeal the item, substitute:

|  |  |  |  |
| --- | --- | --- | --- |
| 49K | Maximum basic component of parenting payment | Maximum basic PP (partnered) component | [PP (Partnered) Rate Calculator—point 1068B‑B6] |

225 Section 1191 (table item 33B, column 2)

Repeal the entry, substitute:

|  |
| --- |
| maximum basic PP (partnered) component |

226 Subparagraph 1195(1)(a)(v)

Omit “and”.

227 At the end of paragraph 1195(1)(a)

Add:

(vi) point 1068A-B1—the annual rate; and

228 At the end of section 1206H

Add:

(3) In this section:

***social security entitlement*** includes a PP (partnered).

Note: For ***PP (partnered)*** see section 18.

229 Subsection 1207(2) (table item relating to Parenting Allowance Rate Calculator)

Repeal the item, substitute:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Pension PP (Single) Rate Calculator (section 1068A) | Module C | Module D | Module E |  | not applicable |
| PP (Partnered) Rate Calculator (section 1068B) | Module E | Module F | Module D |  | not applicable | |

230 After section 1208

Insert:

##### 1208A Parenting payment claimed under international agreement

(1) If:

(a) a scheduled international social security agreement authorises a person who is outside Australia to lodge a claim for parenting payment; and

(b) the person, while outside Australia, lodges a claim for parenting payment; and

(c) the person is not a member of a couple; and

(d) the person would qualify for parenting payment but for the operation of any of the following:

(i) paragraph 500(1)(b) or (c);

(ii) subparagraph 500(1)(d)(ii) to the extent it requires a person to have been in Australia for the period specified in the subparagraph;

(iii) section 500F, 500G or 500H;

then:

(e) the provisions referred to in paragraph (d) do not apply to the person; and

(f) if parenting payment is payable to the person, it is taken to be payable to the person under the scheduled international social security agreement.

(2) If:

(a) a person who is in Australia lodges a claim for parenting payment; and

(b) the person is not a member of a couple; and

(c) the person would qualify for parenting payment under a scheduled international social security agreement but for the operation of subparagraph 500(1)(d)(ii) to the extent it requires a person to have been in Australia for the period specified in the subparagraph;

then:

(d) that requirement of subparagraph 500(1)(d)(ii) does not apply to the person; and

(e) if parenting payment is payable to the person, it is taken to be payable to the person under the scheduled international social security agreement.

Note: Paragraphs 500(1)(b) and (c) and subparagraph 500(1)(d)(ii) deal with residence qualifications and a qualification based on a person being in Australia for a period. Sections 500F, 500G and 500H deal with requirements defining who is a PP child.

231 Section 1209

Omit “pension or allowance”, substitute “social security payment”.

232 Subsection 1210(1)

Omit “pension or allowance” (wherever occurring), substitute “social security payment”.

233 Point 1210-A1 (step 3 of the method statement)

Omit “pension or allowance”, substitute “social security payment”.

234 Paragraph 1210-B8(a)

Omit “sole parent pension”, substitute “pension PP (single)”.

Note: The heading to point 1210-B8 is altered by omitting “**sole parent pension**” and substituting “**pension PP (single)**”.

235 Section 1211

Omit “parenting allowance”, substitute “parenting payment”.

236 Section 1211

Omit “905(d)”, substitute “500(1)(c)”.

237 Section 1211 (note 7)

Repeal the note, substitute:

Note 7: A person is taken to be in Australia for the purposes of paragraph 500(1)(c) (qualification for parenting payment) if the person is temporarily absent from Australia for a period of 26 weeks or less.

238 Subsection 1212(2)

After “carer payment”, insert “, a pension PP (single)”.

239 Subparagraph 1212(3)(a)(iv)

Omit “sole parent pension”, substitute “pension PP (single)”.

240 Subparagraph 1212(3)(c)(iv)

Repeal the subparagraph.

241 Section 1214

Repeal the section.

242 Paragraph 1218(1)(d)

Repeal the paragraph.

243 Subparagraphs 1219(1)(a)(iv) and (2)(a)(iv)

Repeal the subparagraphs.

244 Subparagraphs 1220(1)(d)(iv) and (2)(d)(iv)

Repeal the subparagraphs.

245 Subparagraph 1220B(1)(a)(iv)

Repeal the subparagraph.

246 Paragraph 1220B(5)(a)

Omit “sole parent pension, a”.

247 Subparagraph 1220B(5)(d)(i)

Repeal the subparagraph.

248 Paragraph 1221-B8(a)

Omit “sole parent pension,”.

249 After subsection 1223(7)

Insert:

Amount of gap supplement (parenting payment) incorrectly paid

(7A) If:

(a) an amount has been paid to a person by way of gap supplement under section 504G or 504H; and

(b) some or all of that amount should not have been paid;

so much of the amount as should not have been paid is a debt due to the Commonwealth.

250 Paragraph 1224E(1)(d)

After “social security entitlement”, insert “or PP (partnered)”.

251 Subsections 1229(9), 1229A(7) and 1230C(1)

Omit “pension, benefit or allowance” (wherever occurring), substitute “social security payment”.

252 Subsection 1237AAC(4)

After “parenting allowance” (wherever occurring), insert “or parenting payment”.

253 Subsection 1237AAC(5)

After “parenting allowance”, insert “or parenting payment (as the case requires)”.

254 Paragraph 1237AAC(5)(b)

After “allowance”, insert “or payment (as the case requires)”.

Note: The heading to subsection 1237AAC(5) is altered by adding at the end “*or parenting payment*”.

255 Subsection 1237AAC(6)

After “parenting allowance” (first, second and third occurring), insert “or parenting payment”.

256 Paragraph 1237AAC(6)(b)

Omit “specified at the relevant time in point 1068A-B6”, substitute “specified at the relevant time in the Parenting Allowance Rate Calculator or the PP (Partnered) Rate Calculator (as the case requires)”.

257 Subsection 1239(1) (note 1)

Omit “292A,”.

258 Subsection 1239(1) (note 1)

After “408MC,”, insert “509, 509F,”.

259 Subsection 1239(1) (note 1)

Omit “951F, 951L,”.

260 Subsection 1239(1) (note 1)

Omit “pension, benefit or allowance” (wherever occurring), substitute “social security payment”.

261 Subsection 1239(1) (note 1)

Omit “295B,”.

262 Subsection 1239(1) (note 1)

After “408NF,”, insert “510H,”.

263 Subsection 1239(1) (note 1)

Omit “951R,”.

264 Subsection 1240(1) (note 1)

Omit “292A,”.

265 Subsection 1240(1) (note 1)

After “408MC,”, insert “509, 509F,”.

266 Subsection 1240(1) (note 1)

Omit “951F, 951L,”.

267 Subsection 1240(1) (note 1)

Omit “pension, benefit or allowance” (wherever occurring), substitute “social security payment”.

268 Subsection 1240(1) (note 1)

Omit “295B,”.

269 Subsection 1240(1) (note 1)

After “408NF,”, insert “510H,”.

270 Subsection 1240(1) (note 1)

Omit “951R,”.

271 Subsections 1242(1) and (2)

Repeal the subsections, substitute:

(1) This section applies to a decision in relation to pension PP (single):

(a) made under either section 510A (rate reduction) or 510B (cancellation); and

(b) that resulted from the formation of an opinion under subsection 506A(1) or (3).

(2) If:

(a) a person applies under subsection 1240(1) or 1240(1AA) for review of a decision to which this section applies; and

(b) the person makes the application within 14 days after being notified of the decision;

the following provisions have effect:

(c) payment of the pension PP (single) is to continue, pending the determination of the review, as if the decision had not been made;

(d) if the rate of parenting payment had been reduced as a result of being recalculated under the PP (Partnered) Rate Calculator in section 1068B, or payment had ceased, for a period before the person applied for the review—in spite of section 511A, arrears of pension PP (single) are payable to the person for the period;

(e) this Act (other than this Chapter) applies as if the decision had not been made.

Note: The heading to section 1242 is altered by omitting “**payment if review of section 282 cancellation**” and substituting “**parenting payment at pension PP (single) rate if review of section 506A**”.

272 Subsection 1247(1) (note 1)

Omit “292A,”.

273 Subsection 1247(1) (note 1)

After “408MC,”, insert “509, 509F,”.

274 Subsection 1247(1) (note 1)

Omit “951F, 951L,”.

275 Subsection 1247(1) (note 1)

Omit “pension, benefit or allowance” (wherever occurring), substitute “social security payment”.

276 Subsection 1247(1) (note 1)

Omit “295B,”.

277 Subsection 1247(1) (note 1)

After “408NF,”, insert “510H,”.

278 Subsection 1247(1) (note 1)

Omit “951R,”.

279 Paragraph 1250(1)(d)

Omit “260, 261,”.

280 Paragraph 1250(1)(d)

After “423,”, insert “501A, 501B”.

281 Paragraph 1250(1)(d)

Omit “928, 929,”.

282 Paragraph 1250(1)(j)

Omit “pension, benefit or allowance”, substitute “social security payment”.

283 Subsections 1252(1) and (2)

Repeal the subsections, substitute:

(1) This section applies to a decision in relation to pension PP (single):

(a) made under either section 510A (rate reduction) or 510B (cancellation); and

(b) that resulted from the formation of an opinion under subsection 506A(1) or (3).

(2) If:

(a) a person applies to the Social Security Appeals Tribunal under subsection 1247(1) for review of the decision; and

(b) the person makes the application within 14 days after being notified of the decision;

the following provisions have effect:

(c) payment of the pension PP (single) is to continue, pending the determination of the review, as if the decision had not been made;

(d) if the rate of parenting payment had been reduced as a result of being recalculated under the PP (Partnered) Rate Calculator in section 1068B, or payment had ceased, for a period before the person applied for the review—in spite of section 511A, arrears of pension PP (single) are payable to the person for the period;

(e) this Act (other than this Chapter) applies as if the decision had not been made.

Note: The heading to section 1252 is altered by omitting “**payment if review of section 282 cancellation**” and substituting “**parenting payment at pension PP (single) rate if review of section 506A**”.

284 Paragraph 1345(1)(b)

Omit “pension, allowance, or benefit”, substitute “social security payment”.

285 Clause 56 of Schedule 1A

Repeal the clause.

286 At the end of Schedule 1A

Add:

##### 105A Parenting payment (changes introduced 20 March 1998)

Continuing effect of determinations etc. in force or effective before 20 March 1998

(1) If a determination, notice, statement or other instrument relating to sole parent pension or to parenting allowance was in force or had effect immediately before 20 March 1998, it continues in force on and after that date as if it had been made or given under this Act in relation to parenting payment.

Pending claims for sole parent pension or parenting allowance

(2) If:

(a) a person lodged a claim for sole parent pension or parenting allowance under this Act before 20 March 1998; and

(b) the claim was not determined before that date;

the claim has effect on and after that date as if it were a claim for parenting payment.

Claims made on or after 20 March 1998 in respect of periods before 20 March 1998—sole parent pension and parenting allowance

(3) If:

(a) a person lodges a claim for sole parent pension or parenting allowance on or after 20 March 1998; and

(b) the claim is made in respect of a period commencing before 20 March 1998;

the claim has effect as if it had been made immediately before 20 March 1998.

Claims made on or after 20 March 1998 in respect of periods before 20 March 1998— parenting payment

(4) If:

(a) a person lodges a claim for parenting payment on or after 20 March 1998; and

(b) the claim is made in respect of a period commencing before 20 March 1998;

the claim has effect:

(c) as if it had been made immediately before 20 March 1998; and

(d) in the case of a person who was not a member of a couple at the beginning of the period in respect of which the claim is made—as if it were a claim for sole parent pension; and

(e) in the case of a person who was a member of a couple at the beginning of the period in respect of which the claim is made—as if it were a claim for parenting allowance.

Sole parent pension bereavement payment in respect of death of child

(5) If, immediately before 20 March 1998:

(a) a person was qualified for a payment under Subdivision A of Division 9 of Part 2.6; and

(b) the period for which the person was qualified had not yet ended;

then:

(c) the person remains qualified for that payment on and after 20 March 1998 as if Parts 2.6 and 3.4 as in force immediately before that date were still in force; and

(d) subclause (1) (dealing with continuing effect of determinations) does not apply to the person.

Sole parent pension bereavement payment in respect of death of pensioner partner

(6) If, immediately before 20 March 1998:

(a) a person was qualified for a payment under Subdivision B of Division 9 of Part 2.6; and

(b) the period for which the person was qualified had not yet ended;

then:

(c) the person remains qualified for that payment on and after 20 March 1998 as if Parts 2.6 and 3.2 as in force immediately before that date were still in force; and

(d) subclause (1) (dealing with continuing effect of determinations) does not apply to the person; and

(e) on the day after the end of the period referred to in paragraph (b), the person is taken to have made a claim for parenting payment.

Parenting allowance bereavement payment in respect of death of child

(7) If, immediately before 20 March 1998:

(a) a person was qualified for a payment under Subdivision B of Division 10 of Part 2.18; and

(b) the period for which the person was qualified had not yet ended;

then:

(c) the person remains qualified for that payment on and after 20 March 1998 as if Parts 2.18 and 3.6A as in force immediately before that date were still in force; and

(d) subclause (1) (dealing with continuing effect of determinations) does not apply to the person.

Parenting allowance bereavement payment in respect of death of partner

(8) If, immediately before 20 March 1998:

(a) a person was qualified for a payment under Subdivision D or E of Division 10 of Part 2.18; and

(b) the period for which the person was qualified had not yet ended;

then:

(c) the person remains qualified for that payment on and after 20 March 1998 as if Parts 2.18 and 3.6A as in force immediately before that date were still in force; and

(d) subclause (1) (dealing with the continuing effect of determinations) does not apply to the person; and

(e) on the day after the end of the period referred to in paragraph (b), the person is taken to have made a claim for parenting payment.

Pending application for advance payment of sole parent pension

(9) If:

(a) a person lodged an application for an advance payment of sole parent pension under Part 2.22 before 20 March 1998; and

(b) the application was not determined before that date;

the application is taken, on and after that date, to be an application for an advance payment of pension PP (single).

Saving of certain SPP children

(10) If:

(a) sole parent pension was payable to a person who was not in Australia immediately before 20 March 1998 in relation to an SPP child; and

(b) parenting payment would, but for the operation of section 500F, 500G or 500H, be payable to the person on that date in relation to that child;

those sections do not apply to the person in relation to that child until one of the following events occurs:

(c) the child ceases to be a PP child of the person because of the operation of a provision other than section 500F, 500G or 500H;

(d) parenting payment ceases to be payable to the person;

(e) the person becomes a member of a couple;

(f) if the person was not an Australian resident on 20 March 1998—the person becomes an Australian resident;

(g) if the person was an Australian resident on 20 March 1998—the person returns to Australia.

Application: income maintenance period rules

(11) The following provisions (dealing with income maintenance periods in relation to continuing employment) as in force on 20 March 1998 apply to a person in respect of a leave period commencing on or after 20 March 1998:

(a) point 1067-H5G;

(b) point 1067E-G6G;

(c) point 1068-G7AG.

(12) Subject to subclause (13), point 1068A‑E4 (dealing with income maintenance periods in relation to terminated employment) as in force on 20 March 1998 applies to a person in respect of any leave payment received by the person on or after 20 March 1998.

(13) If:

(a) a determination applying an income maintenance period in relation to a person’s claim for, or payment of, parenting allowance, a social security benefit or youth training allowance was in force on or after 20 September 1997; and

(b) pension PP (single) is payable to the person on or after 20 March 1998;

point 1068A-E4 applies to the person in respect of any leave payment received by the person on or after 20 September 1997.

Saving of certain recipients of sole parent pension and parenting allowance

(14) If:

(a) sole parent pension or parenting allowance was payable to a person immediately before 20 March 1998; and

(b) on 20 March 1998 the person would not, apart from this subclause, qualify for parenting payment because the person does not satisfy the requirements of paragraph 500(1)(d);

the person is taken, on and after 20 March 1998, to satisfy the requirements of paragraph 500(1)(d) until:

(c) parenting payment ceases to be payable to the person; or

(d) the person satisfies the requirements of paragraph 500(1)(d) otherwise than by reason of this subclause.

Saving of certain other recipients of sole parent pension

(15) If:

(a) sole parent pension was payable to a person who was not in Australia immediately before 20 March 1998; and

(b) on or after 20 March 1998, the person would not, apart from this subclause, qualify for parenting payment because the person does not satisfy the requirements of either or both of paragraphs 500(1)(b) and (c);

the person is taken, on and after 20 March 1998, to satisfy the requirements of both those paragraphs until:

(c) parenting payment ceases to be payable to the person; or

(d) the person becomes a member of a couple; or

(e) if the person was not an Australian resident on 20 March 1998—the person becomes an Australian resident; or

(f) if the person was an Australian resident on 20 March 1998—the person returns to Australia.

(16) In relation to a person who is receiving parenting payment because of the application of subclause (15), subsection 271(2) and Part 4.2 of this Act, as in force immediately before 20 March 1998, apply to the person on and after 20 March 1998. These provisions apply to the person as if references to sole parent pension were references to pension PP (single).

Saving of persons receiving sole parent pension under scheduled international social security agreement

(17) If:

(a) a sole parent pension was payable to a person immediately before 20 March 1998 under a scheduled international social security agreement; and

(b) the person is not a member of a couple; and

(c) on 20 March 1998, the person would qualify for parenting payment but for the operation of any of the following:

(i) paragraph 500(1)(b) or (c);

(ii) subparagraph 500(1)(d)(ii) to the extent it requires a person to have been in Australia for the period specified in that subparagraph;

(iii) section 500F, 500G or 500H;

then, on and after 20 March 1998:

(d) the provisions referred to in paragraph (c) do not apply to the person; and

(e) if parenting payment is payable to the person, it is taken to be payable to the person under the scheduled international social security agreement.

(18) Subclause (17) applies to a person until:

(a) parenting payment ceases to be payable to the person; or

(b) the person satisfies the provisions referred to in paragraph (17)(c).

Part 2—Consequential amendments of other Acts

Child Support (Assessment) Act 1989

287 Section 5 (definition of *claimant*)

Omit “sole parent pension or special needs sole parent pension, means a person who has made a claim for the payment or pension”, substitute “means a person who has made a claim for the payment”.

288 Section 5 (definitions of *sole parent pension* and *special needs sole parent pension*)

Repeal the definitions.

289 Paragraphs 89(4)(a) and (c)

Repeal the paragraphs.

290 Paragraph 89(4)(b)

Omit “or”.

291 Subparagraphs 91A(1)(b)(i) and (iii)

Repeal the subparagraphs.

292 Paragraph 91A(1)(b)(ii)

Omit “or”.

293 Subsection 91A(3)

Omit “section 252 or 777A or”.

294 Subsection 91A(3)

Omit “pension or” (wherever occurring).

295 Subsection 91A(3) (note 1)

Repeal the note, substitute:

Note 1: Point 1069-D11 of the *Social Security Act 1991* deals with the ***reasonable action to obtain maintenance*** test.

296 Subparagraphs 92(4)(a)(i) and (iii)

Repeal the subparagraphs.

297 Subparagraph 92(4)(a)(ii)

Omit “or”.

Farm Household Support Act 1992

298 Subsection 3(1)

Omit “non-benefit parenting allowance”, substitute “non-benefit PP (partnered)”.

299 Subsection 24A(1A) (paragraph (c) of the definition of *income support payment rate*)

Repeal the paragraph, substitute:

(c) non-benefit PP (partnered);

300 Subsection 24B(2) (paragraph (c) of the definition of *income support payment rate*)

Repeal the paragraph, substitute:

(c) non-benefit PP (partnered);

Health Insurance Act 1973

301 Subsection 3(1) (subparagraph (d)(i) of the definition of *dependant*)

Repeal the subparagraph, substitute:

(i) a PP child (within the meaning of Division 1 of Part 2.10 of the *Social Security Act 1991*) in respect of whom family payment is payable at a rate higher than the minimum family payment rate under that Act; or

302 Subsections 3(7) and (10)

Repeal the subsections.

303 Paragraph 4D(1)(a)

Repeal the paragraph, substitute:

(a) pension PP (single); or

304 After paragraph 4D(1)(b)

Insert:

(c) sickness allowance; or

Note: This amendment corrects an error caused by a misdescribed amendment (item 2 of Schedule 14 to the *Social Security Legislation Amendment (Budget and Other Measures) Act 1996*).

305 Paragraph 5EB(1)(a)

Omit “allowance”, substitute “payment”.

306 Paragraph 5EB(1)(b)

Omit “allowance is a benefit parenting allowance”, substitute “payment is a benefit PP (partnered)”.

307 Paragraph 5EB(2)(a)

Omit “allowance”, substitute “payment”.

308 Paragraph 5EB(2)(b)

Omit “allowance is a benefit parenting allowance”, substitute “payment is a benefit PP (partnered)”.

309 Subsection 5EB(2)

Omit “is receiving a benefit parenting allowance”, substitute “is receiving a benefit PP (partnered)”.

310 Subsection 5EB(4) (definitions of *benefit parenting allowance* and *parenting allowance*)

Repeal the definitions.

311 Subsection 5EB(4)

Insert:

***benefit PP (partnered)*** has the same meaning as in the *Social Security Act 1991*.

***parenting payment*** has the same meaning as in the *Social Security Act 1991*.

Note: The heading to section 5EB is altered by omitting “**benefit parenting allowance**” and substituting “**benefit PP (partnered)**”.

312 Saving: disadvantaged person declaration

(1) If, immediately before the introduction of parenting payment, a declaration is in force under subsection 5EB(2) of the *Health Insurance Act 1973* in relation to a person in respect of a period, the declaration continues in force, after the introduction of parenting payment, for the remainder of the period as if it had been made in respect of the period during which the person is receiving a benefit PP (partnered).

(2) In this item:

***introduction of parenting payment*** means the day on which Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997* commences.

Income Tax Assessment Act 1936

313 Subparagraph 159J(5E)(b)(ii)

After “*Social Security Act 1991*”, insert “as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*”.

314 At the end of paragraph 159J(5E)(b)

Add:

(iii) parenting payment that is PP (partnered) (within the meaning of the *Social Security Act 1991)*;

315 Paragraphs 159J(5E)(d) and (e)

After “*Social Security Act 1991*”, insert “as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*”.

316 At the end of paragraph 159J(5E)(e)

Add “as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*”.

317 At the end of subsection 159J(5E)

Add:

(f) if any parenting payment is a non-benefit PP (partnered) (within the meaning of the *Social Security Act 1991*)—that non-benefit PP (partnered);

(g) if any parenting payment is a benefit PP (partnered) (within the meaning of the *Social Security Act 1991*)—any part of that payment that is exempt under section 52-10 because of paragraph (e) of the item dealing with parenting payment (benefit PP (partnered)) in the table in section 52-15 of the *Income Tax Assessment Act 1997*.

318 Subsection 159J(6) (paragraph (a) of the definition of *separate net income*)

Omit “non-benefit parenting allowance”, substitute “non-benefit PP (partnered)”.

319 Subsection 159J(6) (paragraph (a) of the definition of *separate net income*)

After “*Amendment Act 1994*,”, insert “non-benefit parenting allowance within the meaning of the *Social Security Act 1991* as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*,”.

320 Subsection 159J(6) (paragraph (aaa) of the definition of *separate net income*)

After “*Social Security Act 1991*”, insert “as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*,”.

321 Subsection 159J(6) (paragraph (aaa) of the definition of *separate net income*)

After “*Income Tax Assessment Act 1997*”, insert “as in force immediately before the commencement of Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997*”.

322 Subsection 159J(6) (after paragraph (aaa) of the definition of *separate net income*)

Insert:

(aab) does not include any part of benefit PP (partnered) paid under the *Social Security Act 1991* that is exempt under section 52-10 because of paragraph (e) of the item dealing with parenting payment (benefit PP (partnered)) in the table in section 52‑15 of the *Income Tax Assessment Act 1997*; and

323 Subsection 160AAA(1) (paragraph (aa) of the definition of *rebatable benefit*)

Repeal the paragraph, substitute:

(aa) paid by way of parenting payment that is PP (partnered) under the *Social Security Act 1991*, to the extent that the amount is not exempt under Division 52 of the *Income Tax Assessment Act 1997*; or

324 Subsection 160AAA(1) (paragraph (b) of the definition of *rebatable pension*)

After “2.8A,”, insert “2.10 to the extent it provides for parenting payment that is a PP (partnered),”.

325 Paragraph 202CB(6)(a)

Omit “, a sickness allowance, a sole parent pension or a special needs sole parent pension”, substitute “or a sickness allowance”.

326 After paragraph 202CB(6)(a)

Insert:

(aaa) by a person who is not a member of a couple and is an applicant for a parenting payment under the *Social Security Act 1991*; or

327 Paragraph 202CE(7)(a)

Omit “, a sickness allowance, a sole parent pension or a special needs sole parent pension”, substitute “or a sickness allowance”.

328 After paragraph 202CE(7)(a)

Insert:

(aaa) by a person who is not a member of a couple and is an applicant for a parenting payment under the *Social Security Act 1991*; or

329 Paragraph 202EA(5)(e)

Repeal the paragraph.

330 After paragraph 202EA(5)(f)

Insert:

(fa) a parenting payment that is a pension PP (single) under Part 2.10 of that Act;

331 Subparagraph 202EB(5)(a)(v)

Repeal the subparagraph.

332 After subparagraph 202EB(5)(a)(vi)

Insert:

(via) a parenting payment that is a pension PP (single) under Part 2.10 of that Act;

333 Paragraph 202EB(5)(b)

Repeal the paragraph.

334 Paragraph 220AP(1)(e)

Repeal the paragraph.

335 After paragraph 220AP(1)(f)

Insert:

(fa) a parenting payment that is a pension PP (single) under Part 2.10 of that Act;

336 Sub-subparagraph 221YCAA(2)(pa)(iv)(A)

Repeal the sub-subparagraph, substitute:

(A) on 30 June of that preceding year of income an amount of parenting payment that was PP (partnered) (within the meaning of the *Social Security Act 1991*) and that was exempt under section 52-10 of the *Income Tax Assessment Act 1997* (other than a supplementary amount), became payable to the spouse;

337 Sub-subparagraph 221YCAA(2)(pa)(iv)(B)

Omit “allowance”, substitute “payment”.

Income Tax Assessment Act 1997

338 Section 52‑10 (after table item 21.1)

Insert:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 21A.1 | **Parenting payment (benefit PP (partnered))** | Supplementary amount is exempt (see section 52‑15) | Supplementary amount is exempt (see section 52‑15) | Exempt | Exempt up to the tax‑free amount (see section 52‑30) |
| 21A.2 | **Parenting payment (non‑benefit PP (partnered))** | Exempt | Exempt | Not applicable | Not applicable |
| 21A.3 | **Parenting payment (pension PP (single))** | Supplementary amount is exempt (see section 52‑15) | Supplementary amount is exempt (see section 52‑15) | Exempt | Not applicable |

339 Section 52‑15 (table item 1)

After “Mature age partner allowance”, insert “Pension PP (single)”.

340 Section 52‑15 (at the end of the table)

Add:

|  |  |  |
| --- | --- | --- |
| 4 | Parenting payment (benefit PP (partnered)) | (a) so much of the payment as is included by way of rental assistance; and  (b) so much of the payment as is included by way of remote area allowance; and  (c) so much of the payment as is included by way of pharmaceutical allowance; and  (d) so much of the payment as is included by way of residential care charge; and  (e) so much of the payment as is included by way of provisional rate of parenting payment up to the maximum basic component of the parenting payment worked out using the method statement in point 1068B‑A3 of the *Social Security Act 1991* |

341 Subsection 52‑30(1)

After “Parenting allowance (benefit parenting allowance)”, insert “Parenting payment (benefit PP (partnered))”.

342 Section 52‑40 (after table item 21)

Insert:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 21A. | Parenting payment (benefit PP (partnered)) | Part 2.10 | Sections 513A and 514B | Section 514C |
| 21B. | Parenting payment (non‑benefit PP (partnered)) | Part 2.10 | Not applicable | Not applicable |
| 21C. | Parenting payment (pension PP (single)) | Part 2.10 | Section 513 | Not applicable |

343 Saving: new terminology includes old payment types

(1) Where a term set out in the second column of the table below is used in the *Income Tax Assessment Act 1997*, the *Income Tax Assessment Act 1936* or the *Income Tax Rates Act 1986*, it is to be interpreted as including a reference to the corresponding term or terms set out in the third column of the table:

| **Terminology Table** | | |
| --- | --- | --- |
| **Item** | **Term used** | **Term included** |
| 1 | parenting payment | parenting allowance  sole parent pension |
| 2 | pension PP (single) | sole parent pension |
| 3 | PP (partnered) | parenting allowance |
| 4 | benefit PP (partnered) | benefit parenting allowance |
| 5 | non-benefit PP (partnered) | non‑benefit parenting allowance |

(2) Subitem (1) does not apply in relation to section 159J of the *Income Tax Assessment Act 1936*.

Income Tax Rates Act 1986

344 Subsection 20D(4)

Omit “**parenting allowance**”, substitute “**parenting payment**”.

National Health Act 1953

345 Subsections 4(1D), (1E) and (3)

Repeal the subsections.

346 Saving: person transferred from sole parent pension to benefit PP (partnered)

(1) This item applies to a person:

(a) who, immediately before the introduction of parenting payment, was a pensioner within the meaning of the *National Health Act 1953* by virtue of receiving sole parent pension under subparagraph 249(1)(a)(ii) or (iv) (illness separated couple or partner in gaol) of the *Social Security Act 1991*; and

(b) to whom, immediately after the introduction of parenting payment, benefit PP (partnered) is payable.

(2) For the purposes of the definition of ***pensioner*** in section 4 of the *National Health Act 1953*, the person is taken to be a person to whom a social security pension is being paid until:

(a) the benefit PP (partnered) ceases to be payable to the person; or

(b) 31 December 1998;

whichever occurs first.

(3) In this item:

***introduction of parenting payment*** means the day on which Schedule 1 to the *Social Security Legislation Amendment (Parenting and Other Measures) Act 1997* commences.

Student and Youth Assistance Act 1973

347 Subsection 58(1) (definition of *income maintenance period*)

Omit “point G6B”, substitute “points G6B to G6BA (inclusive)”.

348 Subsections 229(4A) and (4B)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

349 Subsections 231(5), (6) and (7)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

Note: The headings to subsections 231(5) and (6) are altered by omitting “*parenting allowance*” and substituting “*parenting payment*”.

350 Subsection 233(5)

Omit “If”, substitute “Subject to subsection (6), if”.

351 Subsections 233(5) and (6)

Omit “parenting allowance” (wherever occurring), substitute “parenting payment”.

Note: The headings to subsections 233(5) and (6) are altered by omitting “*parenting allowance*” and substituting “*parenting payment*”.

352 Subsection 233(6) (note 1)

Repeal the note, substitute:

Note 1: For ***maximum basic component of parenting payment*** see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B of the Social Security Act.

353 Subsection 233(6) (note 2)

Omit “allowance” (wherever occurring), substitute “payment”.

354 Subsection 237(6A)

Omit “allowance” (wherever occurring), substitute “payment”.

355 Subsection 237(6A) (note)

Repeal the note, substitute:

Note: For ***maximum basic component of parenting payment*** see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B of the Social Security Act.

356 Subsection 243(6A)

Omit “allowance” (wherever occurring), substitute “payment”.

357 Subsection 243(6A) (note)

Repeal the note, substitute:

Note: For ***maximum basic component of parenting payment*** see point 1068B-B6 of the PP (Partnered) Rate Calculator in section 1068B of the Social Security Act.

358 Schedule 2 (table item 17)

Repeal the item, substitute:

|  |  |  |
| --- | --- | --- |
| 17. | Parenting payment (other than non‑benefit PP (partnered)) | Part 2.10 |
| 17A. | Partner allowance | Part 2.15A |

359 Points G6B to G6E (inclusive) of Schedule 1

Repeal the points, substitute:

Certain leave payments taken to be ordinary income—employment continuing

G6B If:

(a) a person is employed; and

(b) the person is on leave for a period; and

(c) the person is or was entitled to receive a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise) in respect of a part or all of the leave period;

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the leave payment entitlement relates.

Certain leave payments taken to be ordinary income—employment terminated

G6BA If:

(a) a person’s employment has been terminated; and

(b) the person receives a leave payment (whether as a lump sum payment, as a payment that is one of a series of regular payments or otherwise);

the person is taken to have received ordinary income for a period (the ***income maintenance period***) equal to the leave period to which the payment relates.

Start of income maintenance period—employment continuing

G6C If the person is covered by point G6B, the income maintenance period starts on the first day of the leave period to which the leave payment entitlement relates.

Start of income maintenance period—employment terminated

G6CA If the person is covered by point G6BA, the income maintenance period starts, subject to point G6E, on the day the person is paid the leave payment.

More than one leave payment on a day

G6D If:

(a) the person is covered by point G6BA; and

(b) the person receives more than one leave payment on a day;

the income maintenance period is worked out by adding the leave periods to which the payments relate.

Commencement of income maintenance period where there is a second leave payment—employment terminated

6GE If a person who is covered by point G6BA is subject to an income maintenance period (the ***first period***) and the person is paid another leave payment during that period (the ***second leave payment***), the income maintenance period for the second leave payment commences the day after the end of the first period.

360 Point G6J of Schedule 1

Repeal the point, substitute:

Single payment in respect of different kinds of leave—employment terminated

G6J If a person who is covered by point G6BA receives a single payment in respect of different kinds of leave, then, for the purposes of the application of points G6A to G6H (inclusive), each part of the payment that is in respect of a different kind of leave is taken to be a separate payment and the income maintenance period in respect of the single payment is worked out by adding the leave periods to which the separate payments relate.

361 Application of income maintenance period amendments

Point G6B (dealing with continuing employment) as in force on 20 March 1998 applies to a person in respect of a leave period that commences on or after 20 March 1998.

Veterans’ Entitlements Act 1986

362 Subsection 5F(1) (paragraph (f) of the definition of *child*)

Omit “sole parent pension”, substitute “pension PP (single)”.

363 Subparagraph 5H(8)(w)(vi)

Omit “sole parent pension”, substitute “pension PP (single)”.

364 Subsection 5Q(1) (definitions of *social security benefit* and *social security pension*)

Repeal the definitions, substitute:

***social security benefit*** has the same meaning as it has in the Social Security Act.

***social security pension*** has the same meaning as it has in the Social Security Act.

365 Subparagraph 38H(2)(a)(iii)

Repeal the subparagraph, substitute:

(iii) a social security pension; and

366 Paragraph 38H(2)(b)

Omit “or allowance”.

367 Subsection 38H(2) (note)

Omit “Note”, substitute “Note 1”.

368 At the end of subsection 38H(2)

Add:

Note 2: For ***social security pension*** see subsection 5Q(1).

Part 3—Consequential amendments of the Income Tax Assessment Act 1997 commencing 1 July 1998

Income Tax Assessment Act 1997

369 Section 52-10 (table item 20.1)

Repeal the item.

370 Section 52-10 (table item 21.1)

Repeal the item.

371 Section 52-10 (table item 24.1)

Repeal the item.

372 Section 52-10 (table item 28.1)

Repeal the item.

373 Section 52-15 (table item 1)

Omit “Sole parent pension”.

374 Section 52-15 (table item 1)

Omit “Special needs sole parent pension”.

375 Section 52-15 (table item 3)

Repeal the item.

376 Subsection 52-20(3) (table item 4)

Repeal the item.

377 Subsection 52-25(1)

Omit “Sole parent pension”.

378 Subsection 52-30(1)

Omit “Parenting allowance (benefit parenting allowance)”.

379 Section 52-40 (table items 20 and 21)

Repeal the items.

380 Section 52-40 (table item 24)

Repeal the item.

381 Section 52-40 (table item 28)

Repeal the item.

###### Schedule 2—Amendments relating to child disability allowance

Social Security Act 1991

1 Section 3 (index)

Insert in its appropriate alphabetical position, determined on a letter‑by‑letter basis:

|  |  |
| --- | --- |
| Child Disability Assessment Tool | 23(1) |

2 Subsection 23(1)

Insert:

***Child Disability Assessment Tool*** has the meaning given by subsection 952A(3).

3 Paragraph 846(b)

After “953)”, insert “or one of 2 dependent children for whom the person is qualified for a child disability allowance under subsection 954(2).

4 Paragraph 846(c)

After “child”, insert “or children”.

5 Paragraph 900AL(b)

After “953)”, insert “or one of 2 dependent children for whom the person is qualified for a child disability allowance under subsection 954(2).

6 Paragraph 900AL(c)

After “child”, insert “or children”.

7 Section 952

Repeal the section, substitute:

##### 952 Disabled child

Subject to subsection 953, a young person is a disabled child if:

(a) the young person:

(i) has a physical, intellectual or psychiatric disability; and

(ii) is likely to suffer from the disability permanently or for an extended period; and

(b) a determination of the Secretary under section 952A is in force and one of the following conditions applies:

(i) under the determination, the disability is declared to be a recognised disability for the purposes of this section;

(ii) the young person has been assessed and rated under the Child Disability Assessment Tool and has been given a positive score of not less than 1.

##### 952A Secretary’s determination relating to young person’s disability

(1) The Secretary may, by determination in writing:

(a) devise a test for assessing a young person’s functional ability, emotional state, behaviour and special care needs; and

(b) provide a method for rating the young person by giving him or her, on the basis of the results of the test, a score in accordance with a scale of the kind described in subsection (2).

(2) The scale referred to in subsection (1) is a scale that provides for a range of negative and positive scores and under which:

(a) a negative score indicates an absence of a physical, intellectual or psychiatric disability at a significant level; and

(b) a positive score indicates the presence of a physical, intellectual or psychiatric disability at a significant level.

(3) The determination may, in addition, declare that a physical, intellectual or psychiatric disability specified in the determination is a recognised disability for the purposes of section 952.

(4) The determination, in so far as it provides (in accordance with subsections (1) and (2)) for a test for assessing, and a method for rating, a young person’s functional ability, emotional state, behaviour and special care needs is, in this Act, referred to as a Child Disability Assessment Tool.

(5) The determination is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.

8 Paragraph 954(1)(b)

Before “the young person” (first occurring), insert “because of the disability from which he or she is suffering,”.

9 Subsection 954(2)

Repeal the subsection, substitute:

(2) If:

(a) a person has 2 dependent children each of whom:

(i) has a physical, intellectual or psychiatric disability; and

(ii) is likely to suffer from the disability permanently or for an extended period; and

(b) each of the children has been given under the Child Disability Assessment Tool a positive score of less than 1 but, if their scores were aggregated, the aggregate score would be a positive score of not less than 1; and

(c) family allowance is, or would (but for a provision of this Act, or a reason, referred to in paragraph 953(b)) be, payable to the person for the disabled children; and

(d) because of the disability from which he or she is suffering, each of the disabled children receives care and attention on a daily basis:

(i) if the person is a member of a couple—from the person or the person’s partner; or

(ii) if the person is not a member of a couple—from the person;

in a private home that is the residence of the person and the dependent children;

the person is qualified for a child disability allowance for the 2 children as if the person had only one CDA child.

(3) If 2 persons between them provide:

(a) the care and attention referred to in paragraph (1)(b) for a young person; or

(b) the care and attention referred to in paragraph (2)(d) for 2 disabled children;

each of them is qualified for a child disability allowance for the young person or the disabled children (as the case may be).

Note: If the Secretary is satisfied that 2 persons are qualified for child disability allowance under this subsection, the Secretary may, by declaration, specify the share of child disability allowance that each person is to receive (see section 975A).

10 Subsection 955(1)

Omit “42” (wherever occurring), substitute “63”.

Note: The headings to subsections 955(1) and (2) are altered by omitting “*42*” and substituting “*63*”.

11 Paragraph 955(1)(a)

After “CDA child”, insert “or (under subsection 954(2)) for 2 dependent children”.

12 Paragraph 955(1)(a)

After “the child” (first occurring), insert “or either of the children”.

13 Subsection 955(1)

Omit “CDA child” (last occurring), substitute “child or children”.

14 Paragraph 955(2)(a)

After “CDA child”, insert “or (under subsection 954(2)) for 2 dependent children”.

15 Paragraph 955(2)(a)

After “the child” (first occurring), insert “or either of the children”.

16 Subsection 955(2)

Omit “CDA child” (last occurring), substitute “child or children”.

17 Subsection 955(3)

Omit “CDA”.

18 Paragraph 955(4)(a)

After “CDA child”, insert “or (under subsection 954(2)) for 2 dependent children”.

19 Paragraph 955(4)(a)

After “the child” (first occurring), insert “or either of the children”.

20 Subsection 955(4)

Omit “CDA child” (last occurring), substitute “child or children”.

21 Subsection 956(1)

Omit “for a CDA child”.

22 Paragraph 959(a)

Repeal the paragraph, substitute:

(a) a person is qualified for a child disability allowance; and

23 Paragraph 960(a)

Repeal the paragraph, substitute:

(a) a person is qualified for a child disability allowance; and

24 Paragraph 960A(a)

Omit “same young person”, substitute “same CDA child or (under subsection 954(2)) for the same 2 dependent children”.

25 Section 960A

Omit “the young person” (wherever occurring), substitute “the CDA child or the dependent children”.

26 Subsection 967(1)

Omit “for a CDA child”, substitute “, whether payable for a CDA child or (because of subsection 954(2)) for 2 dependent children,”.

27 Subsection 967(2)

Omit “for a CDA child” (wherever occurring).

28 Paragraph 967(5)(a)

Omit “same young person”, substitute “same CDA child or (under subsection 954(2)) for the same 2 dependent children”.

29 Subsection 967(5)

Omit “the young person” (wherever occurring), substitute “the CDA child or the dependent children”.

30 Subsection 975A(1)

Omit “954(2)”, substitute “954(3)”.

31 Subsection 975A(1)

Omit “same young person”, substitute “same CDA child or the same 2 dependent children”.

32 Paragraph 975A(1)(a)

Omit “young person”, substitute “CDA child or the dependent children”.

33 Paragraph 975A(1)(b)

Omit “for the young person”.

34 Subsection 975A(2) (note 1)

Omit “young person”, substitute “CDA child or the 2 dependent children”.

35 Subsection 991(1)

Repeal the subsection, substitute:

(1) If:

(a) a person is receiving child disability allowance for a CDA child or (because of subsection 954(2)) for 2 dependent children; and

(b) the CDA child or one of the dependent children dies; and

(c) immediately before the child’s death:

(i) the person was receiving family payment for the child; or

(ii) the person was receiving a service pension whose rate included a dependent child add‑on, or a guardian allowance, in respect of the child;

the person is to be qualified for the allowance during the bereavement rate continuation period as if the child had not died and had received the care and attention referred to in paragraph 954(1)(b) or 954(2)(d) (as the case may be).

36 Subsection 991(2)

Omit “young person”, substitute “child”.

37 Paragraph 992(a)

Omit “the death of a child”, substitute “a CDA child who has died or 2 dependent children one of whom has died”.

38 Section 992 (step 1 in method statement)

Omit “CDA”.

39 Subsection 992AA(1)

Repeal the subsection, substitute:

(1) If:

(a) a person is receiving child disability allowance for a CDA child or (because of subsection 954(2)) for 2 dependent children; and

(b) the CDA child or one of the dependent children dies; and

(c) the person is not qualified under section 991 for child disability allowance for the child or children;

the person is to be qualified for child disability allowance for the period of 4 weeks that starts on the day after the day on which the child died as if the child had not died and had received the care and attention referred to in paragraph 954(1)(b) or 954(2)(b) (as the case may be).

40 At the end of Schedule 1A

Add:

##### 108 Savings—Disabled child (changes made on 1 July 1998)

Despite the amendment made by item 7 of Schedule 2 to the *Social Security Legislation Amendment (Parenting Payment and Other Measures) Act 1997*, section 952 as in force immediately before the commencement of that item:

(a) applies to a young person in respect of whom child disability allowance was payable to a person on 30 June 1998 as a result of a claim made before that date; and

(b) continues so to apply until:

(i) the day on which the allowance ceases to be payable to the person; or

(ii) 30 June 2003;

whichever is the earlier.

###### Schedule 3—Change of name of family payment to family allowance

Part 1—Amendments that take effect irrespective of other amendments

Social Security Act 1991

1 Section 3 (index)

Omit:

|  |  |
| --- | --- |
| family payment advance | 864A |
| family payment advance period | 864B(2), (3), (4), (5) |
| family payment payday | 6(1) |
| family payment period | 6(1) |
| FP amount | 20(3) |
| FP assumed notifiable event | 6(1) |
| FP child | 6(1) |
| FP notifiable event | 6(1) |
| liquid assets (family payment hardship rules) | 19(1) |
| minimum family payment rate | 6(1) |
| minimum FP child rate | 6(1) |
| minimum standard family payment rate | 6(1) |
| standard family payment rate | 6(1) |

2 Section 3 (index)

Insert in their respective appropriate alphabetical positions determined on a letter‑by‑letter basis:

|  |  |
| --- | --- |
| assumed notifiable event | 6(1) |
| FA child | 6(1) |
| family allowance advance | 864A |
| family allowance advance period | 864B(2), (3), (4), (5) |
| family allowance payday | 6(1) |
| family allowance period | 6(1) |
| liquid assets (family allowance hardship rules) | 19(1) |
| minimum family allowance rate | 6(1) |
| minimum FA child rate | 6(1) |
| minimum standard family allowance rate | 6(1) |
| notifiable event | 6(1) |
| standard family allowance rate | 6(1) |

3 Paragraph 5(14)(b)

Omit “family payment (including additional family payment)”, substitute “family allowance”.

4 Subsection 6(1)

Insert:

***assumed notifiable event*** means an event referred to in a determination in force under point 1069‑H5 of the Family Allowance Rate Calculator.

5 Subsection 6(1)

Insert:

***FA child***, in relation to a person, means a dependent child of the person who is an FA child of the person in accordance with sections 831 to 836.

6 Subsection 6(1)

Insert:

***family allowance payday*** means:

(a) the Thursday that fell on 11 July 1991; and

(b) each following alternate Thursday.

7 Subsection 6(1)

Insert:

***family allowance period***, in relation to a person who is receiving family allowance, means:

(a) in relation to the year in which the person first receives family allowance—the period that starts on the day on which the person starts to receive family allowance and ends on the next 31 December; or

(b) in relation to any other year—the period that starts on 1 January in that year and ends on 31 December in that year.

8 Subsection 6(1) (definition of *family payment payday*)

Repeal the definition.

9 Subsection 6(1) (definition of *family payment period*)

Repeal the definition.

10 Subsection 6(1) (definition of *FP assumed notifiable event*)

Repeal the definition.

11 Subsection 6(1) (definition of *FP child*)

Repeal the definition.

12 Subsection 6(1) (definition of *FP notifiable event*)

Repeal the definition.

13 Subsection 6(1) (definition of *guardian allowance*)

Repeal the definition, substitute:

***guardian allowance*** means an amount included in a person’s family allowance rate under Module F of the Family Allowance Rate Calculator in section 1069.

14 Subsection 6(1) (definition of *large family supplement*)

Repeal the definition, substitute:

***large family supplement*** means an amount included in a person’s family allowance rate under Module C of the Family Allowance Rate Calculator in section 1069.

15 Subsection 6(1) (definition of *large family supplement calculation amount*)

Omit “Family Payment”, substitute “Family Allowance”.

16 Subsection 6(1)

Insert:

***minimum FA child rate*** means the amount set out in the formula in point 1069‑B6 in Module B of the Family Allowance Rate Calculator in section 1069.

17 Subsection 6(1) (definition of *minimum family payment rate*)

Repeal the definition.

18 Subsection 6(1)

Insert:

***minimum family allowance rate***, in relation to a person, means:

(a) if no amount of large family supplement or multiple birth allowance is included in the person’s family allowance rate—the minimum standard family allowance rate; or

(b) otherwise—the sum of:

(i) the minimum standard family allowance rate; and

(ii) if an amount of large family supplement is included in the person’s family allowance rate—that large family supplement; and

(iii) if an amount of multiple birth allowance is included in the person’s family allowance rate—that multiple birth allowance.

19 Subsection 6(1) (definition of *minimum FP child rate*)

Repeal the definition.

20 Subsection 6(1) (definition of *minimum standard family payment rate*)

Repeal the definition.

21 Subsection 6(1)

Insert:

***minimum standard family allowance rate*** has the meaning given by point 1069‑B6 in Module B of the Family Allowance Rate Calculator in section 1069.

22 Subsection 6(1) (definition of *multiple birth allowance*)

Repeal the definition, substitute:

***multiple birth allowance*** means an amount included in a person’s family allowance rate under Module D of the Family Allowance Rate Calculator in section 1069.

23 Subsection 6(1)

Insert:

***notifiable event*** means an event referred to in a determination in force under point 1069‑H6 of the Family Allowance Rate Calculator.

24 Subsection 6(1) (definition of *recipient*)

Repeal the definition, substitute:

***recipient***, in relation to family allowance, means a person to whom, or an approved care organisation to which, family allowance is being paid.

25 Subsection 6(1) (definition of *standard family payment rate*)

Repeal the definition.

26 Subsection 6(1)

Insert:

***standard family allowance rate*** means the amount worked out under Table B in point 1069‑B2 in Module B of the Family Allowance Rate Calculator in section 1069.

27 Subsection 6(2)

Repeal the subsection, substitute:

(2) For the purposes of this Act, a person is taken to receive family allowance for a dependent child of the person if, in calculating the rate at which family allowance is paid to the person, an FA child rate in respect of the child is included in the person’s standard family allowance rate under Step 1 of the Method statement in point 1069‑A1 of the Family Allowance Rate Calculator in section 1069.

Note: The heading to section 6 is replaced by the heading “**Family allowance definitions**”.

28 Section 6AA (paragraph (g) of the definition of *excluding provision*)

Omit “Family Payment”, substitute “Family Allowance”.

29 Subsection 7(6AA)

Omit “family payment”, substitute “family allowance”.

30 Subsection 10A(2)

Omit “Family Payment”, substitute “Family Allowance”.

Note: The heading to section 10A is altered by omitting “**Family payment**” and substituting “**Family allowance**”.

31 Paragraph 11(10)(c)

Repeal the paragraph, substitute:

(c) a family allowance;

32 Paragraph 11(10A)(c)

Repeal the paragraph, substitute:

(c) a family allowance;

33 Subsection 19B(1)

Omit “family payment”, substitute “family allowance”.

34 Paragraph 19B(2)(b)

Omit “FP child”, substitute “FA child”.

35 Subsection 23(1) (definition of *dependent child add‑on*)

Repeal the definition.

36 Subsection 23(1) (paragraph (m) of the definition of *recipient notification notice*)

Omit “family payment”, substitute “family allowance”.

37 Subsection 23(1) (paragraph (m) of the definition of *recipient statement notice*)

Omit “family payment”, substitute “family allowance”.

38 Subsection 23(1) (paragraph (d) of the definition of *social security payment*)

Omit “family payment”, substitute “family allowance”.

39 Subsection 37(1)

Omit “family payment”, substitute “family allowance”.

40 Subsection 37(2)

Omit “family payment”, substitute “family allowance”.

41 Subsection 42(2) (note 1)

Omit “family payment”, substitute “family allowance”.

42 Subsection 198A(4)

Omit “Family Payment”, substitute “Family Allowance”.

43 Part 2.17

Amend the Part (except the provisions listed in the fourth column) in accordance with the following table:

| **Amendment of references to family payment and related expressions** | | | |
| --- | --- | --- | --- |
| **Item** | **Omit** | **Substitute** | **Except in these provisions** |
| 1 | Family Payment | Family Allowance | Any provision amended by another Part of this Schedule |
| 2 | Family payment | Family allowance | Any provision amended by another Part of this Schedule |
| 3 | family payment | family allowance | Subsection 863(2) and paragraphs 892(d), 893(c)  Any provision amended by another Part of this Schedule |
| 4 | FP child | FA child | Paragraphs 892(d), 893(c)  Any provision amended by another Part of this Schedule |

Note: Any heading to a section in Part 2.17 (other than a heading that is altered by a note in any of Parts 7 to 10 of this Schedule) that contains a phrase shown in the second column of the table is altered by omitting that phrase and substituting the phrase shown in the same row in the third column.

44 Subsection 838(1A)

Repeal the subsection, substitute:

(1A) Paragraph (1)(d) does not apply to a person if:

(a) the person or the person’s partner is receiving a social security pension, a social security benefit, a youth training allowance or a service pension; or

(b) a determination under subsection 1132A(1A), (1B) or (1C) as in force in relation to the person.

45 Subsection 851(1)

Omit “that payment”, substitute “that allowance”.

46 Subsection 851(2)

Omit “that payment”, substitute “that allowance”.

47 Paragraph 858(b)

Omit “payment”, substitute “allowance”.

48 Paragraph 862(a)

Omit “payment”, substitute “allowance”.

49 Subsection 863(2)

Omit “family payment or additional family payment”, substitute “family allowance”.

50 Paragraph 892(d)

Repeal the paragraph, substitute:

(d) immediately before the child died, the FA child rate included in the person’s family allowance rate in respect of the child, is, or except for a declaration made under section 869 would be, more than the minimum family allowance rate;

51 Section 892 (note 3)

Repeal the note.

52 Paragraph 893(c)

Repeal the paragraph, substitute:

(c) immediately before the child died, the FA child rate included in the person’s family allowance rate in respect of the child is, or except for a declaration made under section 869 would be, more than the minimum family allowance rate;

53 Subsection 900AD(1)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 900AD(1) is altered by omitting “*family payment*” (wherever occurring) and substituting “*family allowance*”.

54 Subsection 900AD(2)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 900AD(2) is altered by omitting “*family payment*” (wherever occurring) and substituting “*family allowance*”.

55 Subsection 900AD(3)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 900AD(3) is altered by omitting “*family payment*” (wherever occurring) and substituting “*family allowance*”.

56 Paragraphs 900AD(4)(a) and (b)

Omit “family payment” (wherever occurring), substitute “family allowance”.

57 Section 900A (paragraph (b) of the definition of *child*)

Omit “family payment”, substitute “family allowance”.

58 Subsection 900B(4)

Omit “family payment”, substitute “family allowance”.

59 Subsection 900B(5)

Omit “family payment”, substitute “family allowance”.

60 Subsection 900B(5) (note)

Omit “***family payment***”, substitute “***family allowance***”.

61 Subsection 900K(2)

Omit “family payment”, substitute “family allowance”.

62 Subparagraph 900P(a)(i)

Omit “family payment”, substitute “family allowance”.

63 Paragraph 951W(1)(d)

Repeal the paragraph, substitute:

(d) immediately before the child dies the person or the person’s partner was, or except for a declaration under section 869 would be, receiving family allowance in respect of the child that was more than the minimum family allowance rate;

64 Section 953

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to section 953 is altered by omitting “**family payment**” and substituting “**family allowance**”.

65 Subparagraphs 953(b)(i), (ia) and (ib)

Omit “FP child”, substitute “FA child”.

66 Subparagraph 953(b)(iii)

Omit “Family Payment”, substitute “Family Allowance”.

67 Section 953 (note)

Omit “family payment”, substitute “family allowance”.

68 Subsection 954(1) (note 5)

Omit “family payment” (wherever occurring), substitute “family allowance”.

69 Subsection 967(2)

Omit “family payment” (wherever occurring), substitute “family allowance”.

70 Section 969

Omit “family payment”, substitute “family allowance”.

71 Section 970

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to section 974 is altered by omitting “**family payment**” and substituting “**family allowance**”.

72 Subparagraph 991(1)(c)(ii)

Omit “family payment”, substitute “family allowance”.

73 Section 992

Omit “family payment” (wherever occurring), substitute “family allowance”.

74 Paragraph 999(1)(a)

Omit “family payment”, substitute “family allowance”.

75 Subparagraphs 999(1)(a)(i) and (ii)

Omit “FP child”, substitute “FA child”.

76 Subparagraph 999(1)(a)(iii)

Omit “Family Payment”, substitute “Family Allowance”.

77 Subparagraph 999(1)(a)(iii)

Omit “family payment”, substitute “family allowance”.

78 Subsection 999(1) (note 2)

Omit “***family payment***”, substitute “***family allowance***”.

79 Paragraph 999(2)(a)

Omit “family payment”, substitute “family allowance”.

80 Paragraph 999(2)(a)

Omit “FP child”, substitute “FA child”.

81 Subsection 999(2) (note 3)

Omit “***family payment***”, substitute “***family allowance***”.

82 Subparagraph 1002(2)(a)(i)

Omit “family payment”, substitute “family allowance”.

83 Section 1003

Omit “family payment”, substitute “family allowance”.

84 Section 1012

Omit “family payment”, substitute “family allowance”.

85 Section 1013

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to section 1017 is altered by omitting “**family payment**” and substituting “**family allowance**”.

86 Subparagraph 1033(c)(ii)

Omit “family payment”, substitute “family allowance”.

87 Section 1033 (note)

Omit “family payment”, substitute “family allowance”.

88 Section 1034 (including the note)

Omit “family payment” (wherever occurring), substitute “family allowance”.

89 Subsection 1061A(1) (note 1)

Omit “family payment”, substitute “family allowance”.

90 Paragraph 1061P(1)(b)

Omit “family payment” (wherever occurring), substitute “family allowance”.

91 Paragraph 1061P(2)(b)

Omit “family payment” (wherever occurring), substitute “family allowance”.

92 Point 1064‑H2

Omit “FP child”, substitute “FA child”.

93 Point 1064‑H2 (note 2)

Omit “***FP child***”, substitute “***FA child***”.

94 Point 1064‑H4

Omit “FP child”, substitute “FA child”.

95 Point 1064‑H5

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1064-H5 is altered by omitting “*FP child*”and substituting “*FA child*”.

96 Point 1064‑H6

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1064-H6 is altered by omitting “*FP child*” and substituting “*FA child*”.

97 Point 1065‑E2

Omit “FP child”, substitute “FA child”.

98 Point 1065‑E2 (note 3)

Omit “***FP child***”, substitute “***FA child***”.

99 Point 1065‑E3

Omit “FP child”, substitute “FA child”.

100 Point 1065‑E4

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1065‑E4 is altered by omitting “*FP child*” and substituting “*FA child*”.

101 Point 1065‑E5

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1065‑E5 is altered by omitting “*FP child*” and substituting “*FA child*”.

102 Paragraph (e) of point 1066-D1

Omit “FP child”, substitute “FA child”.

103 Point 1066‑H2

Omit “FP child”, substitute “FA child”.

104 Point 1066‑H2 (note 2)

Omit “***FP child***”, substitute “***FA child***”.

105 Point 1066‑H3

Omit “FP child”, substitute “FA child”.

106 Point 1066‑H4

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066‑H4 is altered by omitting “*FP child*” and substituting “*FA child*”.

107 Point 1066‑H5

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066‑H5 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

108 Point 1066A‑I2

Omit “FP child”, substitute “FA child”.

109 Point 1066A‑I2 (note 2)

Omit “***FP child***”, substitute “***FA child***”.

110 Point 1066A‑I4

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066A‑I4 is altered by omitting “*FP child*” and substituting “*FA child*”.

111 Point 1066A‑I5

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066A‑I5 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

112 Point 1066B‑F2

Omit “FP child”, substitute “FA child”.

113 Point 1066B‑F2 (note 3)

Omit “***FP child***”, substitute “***FA child***”.

114 Point 1066B‑F3

Omit “FP child”, substitute “FA child”.

115 Point 1066B-F4

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066B‑F4 is altered by omitting “*FP child*” and substituting “*FA child*”.

116 Point 1066B‑F5

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1066B‑F5 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

117 Point 1067‑K3

Omit “FP child”, substitute “FA child”.

118 Point 1067‑K3 (Table K)

Omit “AFP child”, substitute “FA child”.

119 Point 1067‑K3 (note 3)

Omit “***FP child***”, substitute “***FA child***”.

120 Point 1067‑K7

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1067‑K7 is altered by omitting “*FP child*” and substituting “*FA child*”.

121 Point 1067‑K8

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1067‑K8 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

122 Point 1067E‑H2

Omit “FP child”, substitute “FA child”.

123 Point 1067E‑H2 (Table H)

Omit “AFP child”, substitute “FA child”.

124 Point 1067E‑H2 (note 2)

Omit “***FP child***”, substitute “***FA child***”.

125 Point 1067E‑H6

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1067E‑H6 is altered by omitting “*FP child*” and substituting “*FA child*”.

126 Point 1067E‑H7

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1067E‑H7 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

127 Point 1068‑J3

Omit “FP child”, substitute “FA child”.

128 Point 1068‑J3 (Table J)

Omit “AFP child”, substitute “FA child”.

129 Point 1068‑J7

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1068‑J7 is altered by omitting “*FP child*” and substituting “*FA child*”.

130 Point 1068‑J8

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1068‑J8 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

131 Part 3.7

Amend the Part (except any provision amended by another Part of this Schedule) in accordance with the following table:

| **Amendment of references to family payment and related expressions** | | |
| --- | --- | --- |
| **Item** | **Omit** | **Substitute** |
| 1 | Family Payment | Family Allowance |
| 2 | Family payment | Family allowance |
| 3 | family payment | family allowance |
| 4 | FP child | FA child |

Note: Any heading to a section, point or subpoint in Part 3.7 (other than a heading that is altered by a note in any of Parts 7 to 10 of this Schedule) that contains a phrase shown in the second column of the table is altered by omitting that phrase and substituting the phrase shown in the same row in the third column.

132 Subpoint 1069‑B2(2) (note 4)

Omit “basic”.

133 Paragraph 1069‑E2(1)(ca)

Omit “payment”, substitute “allowance”.

134 Point 1070‑D2 (definition of *taxable income for the relevant tax year*)

Omit “Family Payment”, substitute “Family Allowance”.

135 Paragraph 1111(a)

Omit “family payment”, substitute “family allowance”.

136 Subsection 1124A(1) (note 4)

Omit “family payment”, substitute “family allowance”.

137 Subsection 1125A(1) (note 4)

Omit “family payment”, substitute “family allowance”.

138 Paragraph 1127(a)

Omit “family payment”, substitute “family allowance”.

Note: The heading to section 1128 is altered by omitting “**and family allowance supplement**”.

139 Paragraph 1132A(1)(a)

Omit “family payment”, substitute “family allowance”.

Note: The heading to section 1132A is altered by omitting “**family payment**” and substituting “**family allowance**”.

140 Subsection 1132A(5) (definition of *adjusted fringe benefits value*)

Omit “Family Payment”, substitute “Family Allowance”.

141 Part 3.12A (heading)

Repeal the heading, substitute:

## Part 3.12A—General provisions relating to the family allowance income test and the parental means test

142 Paragraph 1157A(1)(a)

Omit “family payment”, substitute “family allowance”.

143 Subsection 1157A(1) (note 1)

Repeal the note, substitute:

Note 1: For the family allowance income test see Module H of the Family Allowance Rate Calculator in section 1069.

144 Subsection 1157V(1A)

Omit “Family Payment”, substitute “Family Allowance”.

145 Section 1167 (note 2)

Repeal the note.

146 Section 1190 (Indexed and Adjusted Amounts Table, column 2, items 4, 13, 14, 19A, 21, 22, 34A and 34B, and column 3, item 19A)

Omit “family payment”, substitute “family allowance”.

147 Section 1190 (Indexed and Adjusted Amounts Table, column 4, items 4, 4AA, 5, 6, 7, 7A, 13, 19, 19A, 21, 22, 23A and 23B)

Omit “Family Payment”, substitute “Family Allowance”.

148 Section 1190 (Indexed and Adjusted Amounts Table, column 2, items 4AA, 5 and 6, and column 3, items 4, 4AA, 5, 6, 13, 14, 19, 21, 22, 34A and 34B)

Omit “FP”, substitute “FA”.

149 Subsection 1191(1) (CPI Indexation Table, column 2, items 4, 4A, 6, 6A, 7, 8, 13, 15, 16, 24A and 25)

Omit “FP”, substitute “FA”.

150 Subsection 1191(1) (CPI Indexation Table, column 2, item 13A)

Omit “family payment”, substitute “family allowance”.

151 Subsection 1194(4)

Omit “family payment”, substitute “family allowance”.

152 Subsection 1199(1)

Omit “FP”, substitute “FA”.

153 Subsection 1199(1) (note 3)

Omit “family payment”, substitute “family allowance”.

154 Subsection 1199(2)

Omit “FP”, substitute “FA”.

155 Subsection 1199(3)

Omit “FP”, substitute “FA”.

156 Subsection 1199(3) (note 3)

Omit “family payment”, substitute “family allowance”.

157 Subsection 1199(4)

Omit “FP”, substitute “FA”.

Note: The heading to section 1199 is altered by omitting “**FP**” and substituting “**FA**”.

158 Section 1202

Omit “FP” (wherever occurring), substitute “FA”.

Note: The heading to section 1202 is altered by omitting “**FP**” and substituting “**FA**”.

159 Paragraph 1206E(1)(c)

Omit “family payment”, substitute “family allowance”.

160 Subsection 1206E(1) (note 3)

Omit “***family payment***”, substitute “***family allowance***”.

161 Section 1206F

Omit “FP”, substitute “FA”.

Note: The heading to section 1206F is altered by omitting “**family payment**” and substituting “**family allowance**”.

162 Section 1206F (note 2)

Omit “***FP***”, substitute “***FA***”.

163 Point 1210‑A1 (method statement, steps 5 and 6)

Omit “family payment” (wherever occurring), substitute “family allowance”.

164 Section 1211 (note 3)

Omit “family payment”, substitute “Family allowance”.

Note: The heading to section 1211 is altered by omitting “**family payment**” and substituting “**family allowance**”.

165 Subsection 1223(1A)

Omit “family payment” (wherever occurring), substitute “family allowance”.

166 Subparagraph 1223(1A)(b)(ii)

Omit “Family Payment”, substitute “Family Allowance”.

167 Paragraphs 1223(1D)(c), (d) and (e)

Repeal the paragraphs, substitute:

(c) the person’s lack of qualification for family tax payment resulted from:

(i) the person not having been qualified for family allowance; or

(ii) the person not receiving family allowance at a rate exceeding the minimum family allowance rate; and

(d) the person’s lack of qualification for family allowance, or the person not receiving family allowance at a rate exceeding the minimum family allowance rate, as the case may be, resulted from an incorrect estimate made by the person of an income component under Module H of the Family Allowance Rate Calculator in section 1069; and

(e) the incorrect estimate resulted in the person improperly receiving family allowance at a rate exceeding the minimum family allowance rate; and

168 Subsection 1223(3)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 1223(3) is altered by omitting “*family payment*” and substituting “*family allowance*”.

169 Subsection 1223(4)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 1223(4) is altered by omitting “*Family payment*” and substituting “*Family allowance*”.

170 Paragraph 1237AAC(3)(a)

Omit “family payment” (wherever occurring), substitute “family allowance”.

Note: The heading to subsection 1237AAC(3) is replaced by the heading “*Reference to amount of family allowance is a reference to minimum rate plus guardian allowance and large family supplement*”.

171 Subsection 1243A(3) (excluding the notes)

Repeal the subsection.

172 Paragraph 1250(1)(l)

Omit “Family Payment”, substitute “Family Allowance”.

173 Subclause 27(3A) of Schedule 1A (paragraph (c) of the definition of *post‑1995 increase*)

Repeal the paragraph, substitute:

(c) family payment under this Act as previously in force;

(ca) family allowance;

174 Paragraph 28(4)(c) of Schedule 1A

Repeal the paragraph, substitute:

(c) family payment under this Act as previously in force;

(ca) family allowance;

175 Clause 50 of Schedule 1A

Repeal the clause, substitute:

##### 50 Family payment and family allowance assets test (changes introduced on 1 January 1993)—child disability allowance

(1) If:

(a) before 1 January 1993:

(i) a person claimed child disability allowance and family allowance for a child; and

(ii) the person was qualified for family allowance for that child because of subsection 838(3) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 and before 1 April 1998 the person received child disability allowance for that child;

the person is taken not to have been required to satisfy paragraph 838(1)(d) of this Act as in force on and after 1 January 1993 and before 1 April 1998 in order to have been qualified for family allowance for that child.

(2) If:

(a) before 1 January 1993:

(i) a person claimed child disability allowance and family allowance for a child; and

(ii) the person was qualified for family allowance for that child because of subsection 838(3) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 the person has received child disability allowance for that child;

the person does not have to satisfy paragraph 838(1)(d) of this Act as in force on and after 1 April 1998 in order to be qualified for family allowance for that child.

176 Clause 51 of Schedule 1A

Repeal the clause, substitute:

##### 51 Family payment and family allowance assets test (changes introduced on 1 January 1993)—double orphan pension

(1) If:

(a) before 1 January 1993:

(i) a person (the ***adult***) claimed double orphan pension and family allowance for a young person; and

(ii) the adult was qualified for family allowance for that young person because of subsection 838(3) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 and before 1 April 1998 the adult received double orphan pension for that young person;

the adult is taken not to have been required to satisfy paragraph 838(1)(d) of this Act as in force on and after 1 January 1993 and before 1 April 1998 in order to have been qualified for family payment for that young person.

(2) If:

(a) before 1 January 1993:

(i) a person (the ***adult***) claimed double orphan pension and family allowance for a young person; and

(ii) the adult was qualified for family allowance for that young person because of subsection 838(3) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 the adult has received double orphan pension for that young person;

the adult does not have to satisfy paragraph 838(1)(d) of this Act as in force on and after 1 April 1998 in order to be qualified for family allowance for that young person.

177 Clause 52 of Schedule 1A

Repeal the clause, substitute:

##### 52 Family payment and family allowance income test (changes introduced on 1 January 1993)—child disability allowance

(1) If:

(a) before 1 January 1993:

(i) a person claimed child disability allowance and family allowance for a child; and

(ii) the person was qualified for family allowance for that child because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 and before 1 April 1998 the person received child disability allowance for that child;

the person is taken not to have been required to satisfy paragraph 838(1)(c) of this Act as in force on and after that date and before 1 April 1998 in order to have been qualified for family payment for that child.

(2) If:

(a) before 1 January 1993:

(i) a person claimed child disability allowance and family allowance for a child; and

(ii) the person was qualified for family allowance for that child because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 the person has received child disability allowance for that child;

the person does not have to satisfy paragraph 838(1)(c) of this Act as in force on and after 1 April 1998 in order to be qualified for family allowance for that child.

178 Clause 53 of Schedule 1A

Repeal the clause, substitute:

##### 53 Family payment and family allowance income test (changes introduced on 1 January 1993)—double orphan pension

(1) If:

(a) before 1 January 1993:

(i) a person (the ***adult***) claimed double orphan pension and family allowance for a young person; and

(ii) the adult was qualified for family allowance for that young person because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 and before 1 April 1998 the adult received double orphan pension for that young person;

the adult is taken not to have been required to satisfy paragraph 838(1)(c) of this Act as in force on and after that date and before 1 April 1998 in order to have been qualified for family payment for that young person.

(2) If:

(a) before 1 January 1993:

(i) a person (the ***adult***) claimed double orphan pension and family allowance for a young person; and

(ii) the adult was qualified for family allowance for that young person because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and

(b) at all times on and after 1 January 1993 the adult has received double orphan pension for that young person;

the adult does not have to satisfy paragraph 838(1)(c) of this Act as in force on and after 1 April 1998 in order to be qualified for family allowance for that young person.

179 Subclause 54(2) of Schedule 1A (method statement, step 2)

Omit “family payment” (wherever occurring), substitute “family allowance.

180 Subclauses 54(1), (3) and (4) of Schedule 1A (method statement, step 1)

Repeal the subclauses.

181 Subclause 54(5) of Schedule 1A (method statement, steps 3 and 4)

Omit “family payment” (wherever occurring), substitute “family allowance”.

182 Subclause 63(3A) of Schedule 1A (paragraph (c) of the definition of *post‑1995 increase*)

Repeal the paragraph, substitute:

(c) family payment under this Act as previously in force;

(ca) family allowance;

183 Part heading immediately before clause 80 of Schedule 1A

Repeal the heading.

184 Subclause 80(2) of Schedule 1A

Repeal the subclause, substitute:

(2) Sections 884, 885 and 886 as in force on 1 January 1996 apply in relation to:

(a) all payments of family payment made on or after that date; and

(b) all payments of family allowance made on or after 1 April 1998.

185 At the end of Schedule 1A

Add:

##### 106 Determinations etc. relating to family payment continue in force as determinations etc. relating to family allowance

If a determination or other instrument relating to family payment that was made or given under this Act as in force before 1 April 1998 was in force immediately before that date, the determination or other instrument continues in force, subject to this Act, on and after that date as if it were made or given under this Act in relation to family allowance.

##### 107 Pending claims for family payment

(1) If:

(a) a person lodged a claim for family payment under this Act before 1 April 1998; and

(b) the claim was not determined before that date;

the claim has effect on and after that date as if it were a claim for family allowance.

(2) If:

(a) subclause (1) applies to a claim; and

(b) the claim is granted under this Act;

the determination granting the claim may have a date of effect before 1 April 1998.

Part 2—Amendment of provisions relating to maternity allowances

Division 1—Amendments having effect if the Social Security Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to maternity allowances

Social Security Act 1991

186 Application

The following items in this Part have effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Maternity Allowances**.

187 Subparagraph 900EA(2)(b)(ii)

Omit “FP child”, substitute “FA child”.

188 Subparagraph 900EA(3)(b)(ii)

Omit “FP child”, substitute “FA child”.

189 Subsection 900G(2)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900G(2) is altered by omitting “*family payment*” and substituting “*family allowance*”.

190 Paragraph 900G(3)(a)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900G(3) is altered by omitting “*family payment*” and substituting “*family allowance*”.

191 Subsection 900GB(1)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900GB(1) is altered by omitting “*family payment*” and substituting “*family allowance*”.

192 Subparagraph 900GB(2)(b)(ii)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900GB(2) is altered by omitting “*family payment*” and substituting “*family allowance*”.

193 Subsection 900GB(3)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900GB(3) is altered by omitting “*family payment*” and substituting “*family allowance*”.

194 Subparagraph 900GB(4)(b)(ii)

Omit “family payment”, substitute “family allowance”.

Note: The heading to subsection 900GB(4) is altered by omitting “*family payment*” and substituting “*family allowance*”.

195 Paragraph 900H(3)(c)

Omit “family payment”, substitute “family allowance”.

Division 2—Amendments having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to maternity allowances

Social Security Act 1991

196 Application

The following item has effect if, and only if, an Act called the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* does not commence, in whole or in part, with a Schedule headed **Maternity allowances**.

197 Subsection 900G(1)

Omit “family payment”, substitute “family allowance”.

198 Paragraph 900G(3)(a)

Omit “family payment”, substitute “family allowance”.

Part 3—Amendment of provisions relating to the family payment income test

Division 1—Amendment having effect if the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* contains provisions with respect to the family payment income test

Social Security Act 1991

199 Application

The following item has effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* Act has commenced, with a Schedule headed **Family payment: income test**.

200 Point 1069-H5

Omit “family payment”, substitute “family allowance”.

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to the family payment income test

Social Security Act 1991

201 Application

The following item has effect if, and only if, an Act called the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* does not commence, in whole or in part, with a Schedule headed **Family payment: income test**.

202 Point 1069-H6

Omit “family payment”, substitute “family allowance”.

Part 4—Amendment of provisions relating to family payment rent assistance

Division 1—Amendments having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to family payment rent assistance

Social Security Act 1991

203 Application

(1) Subject to subsection (2), the following items in this Division have effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Family payment: rent assistance**.

(2) Item 211 does not have effect if another provision of this Act has amended (by way of repeal and substitution) point 1068A‑F1.

204 Subparagraphs 1064-D1(f)(i) and (ii)

Repeal the subparagraphs, substitute:

(i) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be; and

(ii) where the person is a member of an illness separated couple, a respite care couple or a temporarily separated couple and is the partner of a person who is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the partner does not exceed the minimum family allowance rate of the partner.

205 Paragraph 1066-D1(e)

Repeal the paragraph, substitute:

(e) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be.

206 Paragraph 1066A-EA2(h)

Repeal the paragraph, substitute:

(h) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be; and

207 Paragraph 1066A-EB2(i)

Repeal the paragraph, substitute:

(i) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be; and

208 Paragraph 1067-F1(h)

Repeal the paragraph, substitute:

(h) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FP child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be.

209 Paragraph 1067E-D1(f)

Repeal the paragraph, substitute:

(f) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be.

210 Paragraph 1068-F1(f)

Repeal the paragraph, substitute:

(f) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be.

211 Paragraph 1068A-F1(g)

Repeal the paragraph, substitute:

(g) where the person or the person’s partner is receiving family allowance in respect of a dependent child who is an FA child—the standard family allowance rate of the person or partner does not exceed the minimum family allowance rate of the person or partner, as the case may be.

212 Paragraph 1069-E2(1)(e) (including the note)

Repeal the paragraph and note, substitute:

(e) the person’s standard family allowance rate exceeds the person’s minimum family allowance rate.

Note: A person’s standard family allowance rate cannot exceed the person’s minimum family allowance rate if the person is temporarily absent from Australia for more than 13 weeks (see section 1069‑B5).

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to family payment rent assistance

Social Security Act 1991

213 Application

(1) Subject to subsection (2), the following items in this Division have effect if, and only if, an Act called the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* does not commence, in whole or in part, with a Schedule headed **Family payment: rent assistance**.

(2) Item 222 does not have effect if another provision of this Act has amended (by way of repeal and substitution) point 1068A‑F1.

214 Paragraph 1064-D1(f)

Omit “FP child” (wherever occurring), substitute “FA child”.

215 Subparagraph 1064-D1(f)(ii)

Omit “family payment”, substitute “family allowance”.

216 Paragraph 1066-D1(e)

Omit “FP child”, substitute “FA child”.

217 Paragraph 1066A-EA2(h)

Omit “FP child”, substitute “FA child”.

218 Paragraph 1066A-EB2(i)

Omit “FP child”, substitute “FA child”.

219 Paragraph 1067-F1(h)

Omit “FP child”, substitute “FA child”.

220 Paragraph 1067E-D1(f)

Omit “FP child”, substitute “FA child”.

221 Paragraph 1068-F1(f)

Omit “FP child”, substitute “FA child”.

222 Paragraph 1068A-F1(g)

Omit “FP child”, substitute “FA child”.

Part 5—Amendment of provisions relating to the family payment maintenance income test

Division 1—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to the family payment maintenance income test

Social Security Act 1991

223 Application

The following item has effect if, and only if some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Family payment: maintenance income test**.

224 Point 1069-J1 (method statement, step 1)

Omit “FP child” (wherever occurring), substitute “FA child”.

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to the family payment maintenance income test

Social Security Act 1991

225 Application

The following item has effect if, and only if, an Act called the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* does not commence, in whole or in part, with a Schedule headed **Family payment: maintenance income test**.

226 Point 1069-J1 (method statement, step 1)

Omit “FP child”, substitute “FA child”.

Part 6—Amendment of provisions relating to parenting payment

Division 1—Amendments having effect if this Act contains provisions with respect to parenting payment

Social Security Act 1991

227 Application

The following items of this Division have effect if, and only if, this Act contains a Schedule headed **Amendments relating to parenting payment**.

228 Paragraph (f) of point 1068A-D1

Omit “FP child”, substitute “FA child”.

229 Paragraph (f) of point 1068A-D1

Omit “family payment” (wherever occurring), substitute “family allowance”.

230 Point 1068A-F2

Omit “FP child”, substitute “FA child”.

231 Point 1068A-F3

Omit “FP child”, substitute “FA child”.

232 Point 1068A-F3 (note)

Omit “***FP child***”, substitute “***FA child***”.

233 Paragraph (h) of point 1068B-F1

Omit “FP child”, substitute “FA child”.

234 Paragraph (h) of point 1068B-F1

Omit “family payment” (wherever occurring), substitute “family allowance”.

235 Point 1068B-G2

Omit “FP child”, substitute “FA child”.

236 Point 1068B-G2 (Table G)

Omit “FP child”, substitute “FA child”.

237 Point 1068B-G5

Omit “FP child (wherever occurring)”, substitute “FA child”.

Note: The heading to point 1068B-G5 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

Division 2—Amendments having effect if this Act does not contain provisions with respect to parenting payment

Social Security Act 1991

238 Application

The following items of this Division have effect if, and only if, this Act does not contain a Schedule headed **Amendments relating to parenting payment**.

239 Point 1068A‑G3

Omit “FP child”, substitute “FA child”.

240 Point 1068A‑G3 (Table G)

Omit “AFP child”, substitute “FA child”.

241 Point 1068A‑G7

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1068A‑G7 is altered by omitting “*FP child*” and substituting “*FA child*”.

242 Point 1068A‑G8

Omit “FP child” (wherever occurring), substitute “FA child”.

Note: The heading to point 1068A‑G8 is altered by omitting “*FP child*” (wherever occurring) and substituting “*FA child*”.

Part 7—Amendment of provisions relating to the qualification of approved care organisations for family payment

Social Security Act 1991

243 Application

The following item has effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Family payment: qualification of approved care organisation**.

244 Paragraph 839(1)(a)

Omit “FP child”, substitute “FA child”.

Part 8—Amendment of provisions relating to fringe benefits

Division 1—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 contains provisions with respect to fringe benefits

Social Security Act 1991

245 Application

The following item has effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Fringe benefits**.

246 Subsection 1157A(1)

Omit “family payment”, substitute “family allowance”.

Division 2—Amendment having effect if the Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997 does not contain provisions with respect to fringe benefits

Social Security Act 1991

247 Application

The following item has effect if, and only if, an Act called the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* does not commence, in whole or in part, with a Schedule headed **Fringe benefits**.

248 Paragraph 1157A(1)(a)

Omit “family payment”, substitute “family allowance”.

Part 9—Amendment of provisions relating to Family payment: hardship provisions

Social Security Act 1991

249 Application

The following items have effect if, and only if, some or all of the *Social Security and Veterans’ Affairs Legislation Amendment (Family and Other Measures) Act 1997* has commenced, with a Schedule headed **Family payment: hardship provisions**

250 Subsection 1132A(1BA)

Omit “FP child” (wherever occurring), substitute “FA child”.

251 Subsection 1132A(1BB)

Omit “***FP child***”, substitute “***FA child***”.

252 Subsection 1132A(1C) (note 2)

Omit “family payment” (wherever occurring), substitute “family allowance”.

253 Section 1190 (item 35)

Omit “family payment”, substitute “family allowance”.

254 Section 1190 (item 35)

Omit “FP HIL”, substitute “FA HIL”.

255 Section 1191 (item 26)

Omit “FP HIL”, substitute “FA HIL”.

###### Schedule 4—Amendments to apply consistent hardship rules to ordinary waiting periods, the liquid assets test waiting periods and the income maintenance periods

Part 1—Amendments commencing on 1 July 1998

Social Security Act 1991

1 Section 3 (index)

Insert in their appropriate alphabetical position, determined on a letter‑by‑letter basis:

|  |  |
| --- | --- |
| in severe financial hardship | 19C(2) |
| unavoidable or reasonable expenditure | 19C(4) |

2 After section 19B

Insert:

##### 19C Severe financial hardship (ordinary waiting periods and liquid assets test waiting periods) definitions

Application of definitions in this section

(1) The definitions in this section relate to ordinary waiting periods and liquid assets test waiting periods.

Note: A person who makes a claim for one of the following allowances, may have to serve an ordinary waiting period before the person can be paid the allowance:

(a) newstart allowance;

(b) sickness allowance;

(c) youth allowance.

A person who makes a claim for sickness allowance, newstart allowance or youth allowance may also have to serve a liquid assets test waiting period before the person can be paid the allowance.

Meaning of **in severe financial hardship**: person who is not a member of a couple

(2) A person who is not a member of a couple and who makes a claim for one of the following allowances:

(a) newstart allowance;

(b) sickness allowance;

(c) youth allowance;

is***in severe financial hardship*** if the value of the person’s liquid assets (within the meaning of subsection 14A(1)) is less than the fortnightly amount at the maximum payment rate of the allowance that would be payable to the person if the person’s claim were granted.

Note: For ***maximum payment rate*** see subsection (8).

Meaning of **in severe financial hardship**: person who is a member of a couple

(3) A member of a couple who makes a claim for one of the following allowances:

(a) newstart allowance;

(b) sickness allowance;

(c) youth allowance;

is***in severe financial hardship*** if the value of the couple’s liquid assets (within the meaning of subsections 14A(1) and (2)) is less than twice the fortnightly amount at the maximum payment rate of the allowance that would be paid to the person if the person’s claim were granted.

Note: For ***maximum payment rate*** see subsection (8).

Meaning of **unavoidable or reasonable** **expenditure**

(4) ***Unavoidable or reasonable*** ***expenditure***, in relation to a person who is serving a liquid assets test waiting period, includes, but is not limited to, the following expenditure:

(a) the reasonable costs of living the person is taken, under subsection (6) or (7), to have incurred in respect of so much of the period that the person has already served;

(b) the costs of repairs to, or replacement of, essential whitegoods situated in the person’s home;

(c) school expenses;

(d) funeral expenses;

(e) essential expenses arising on the birth of the person’s child or the adoption of a child by the person;

(f) expenditure to buy replacement essential household goods because of loss of those goods through theft or natural disaster when the cost of replacement is not the subject of an insurance policy;

(g) the costs of essential repairs to the person’s car or home;

(h) premiums in respect of vehicle or home insurance;

(i) expenses in respect of vehicle registration;

(j) essential medical expenses;

(k) any other costs that the Secretary determines are unavoidable or reasonable expenditure in the circumstances in relation to a person.

However, ***unavoidable or reasonable*** ***expenditure*** does not include any reasonable costs of living other than those referred to in paragraph (a).

Meaning of **reasonable costs of living**

(5) The ***reasonable costs of living*** of a person include, but are not limited to, the following costs:

(a) food costs;

(b) rent or mortgage payments;

(c) regular medical expenses;

(d) rates, water and sewerage payments;

(e) gas, electricity and telephone bills;

(f) costs of petrol for the person’s vehicle;

(g) public transport costs;

(h) any other cost that the Secretary determines is a reasonable cost of living in relation to a person.

What is the amount of reasonable **costs of living** a person who is not a member of a couple is taken to have incurred during a liquid assets test waiting period?

(6) For the purposes of paragraph (4)(a), the amount of reasonable ***costs of living*** that a person who:

(a) is not a member of a couple; and

(b) is serving a liquid assets test waiting period;

is taken to have incurred, may not exceed the amount of the allowance that would have been payable to the person during that part of the waiting period that the person has already served, if the person were not subject to the period.

What is the amount of reasonable **costs of living** a person who is a member of a couple is taken to have incurred during a liquid assets test waiting period?

(7) For the purposes of paragraph (4)(a), the amount of reasonable ***costs of living*** that a person who:

(a) is a member of a couple; and

(b) is serving a liquid assets test waiting period;

is taken to have incurred, may not exceed twice the amount of the allowance that would have been payable to the person during that part of the waiting period that the person has already served, if the person were not subject to the period.

Meaning of **maximum payment rate**

(8) For the purposes of subsection (3), ***maximum payment rate***:

(a) in relation to sickness allowance—means the rate worked out at Step 4 of the Method statement in Module A of the applicable rate calculator; or

(b) in relation to newstart allowance—means the rate worked out at Step 4 of the Method statement in Module A of the applicable rate calculator; or

(c) in relation to youth allowance—means the youth allowance rate.

Note 1: The Sickness Benefit Rate Calculator, Benefit Rate Calculator A and Benefit Rate Calculator B apply to the calculation of sickness allowance depending on the circumstances of the person claiming the allowance.

Note 2: Benefit Rate Calculator A (under 18) and Benefit Rate Calculator B (over 18) apply to the calculation of newstart allowance.

Meaning of **youth allowance** and **youth allowance rate**

(9) In this section:

***youth allowance*** means:

(a) if this Act makes provision for the payment of an allowance called youth allowance—that allowance; or

(b) if paragraph (a) does not apply—youth training allowance under Part 8 of the *Student and Youth Assistance Act 1973*.

***youth allowance rate***means:

(a) if this Act makes provision for the payment of an allowance called youth allowance—the maximum payment rate in relation to that allowance; or

(b) if paragraph (a) does not apply—the rate worked out at Step 4 of Module A of Schedule 1 to the *Student and Youth Assistance Act 1973*.

Secretary to give notice of determination

(10) If the Secretary makes a determination in relation to a person under paragraph (4)(k) or paragraph (5)(h), the Secretary must give written notice of the determination to the person.

Note: The heading to section 19B is altered by omitting “**provisions**” and substituting “**(Carer payment and Family payment)**”.

3 Subsection 598(5)

Repeal the subsection, substitute:

(5) If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while serving a liquid assets test waiting period, the Secretary may determine that the person does not have to serve the whole, or any part, of the waiting period.

Note 1: For ***in*** ***severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4).

4 Paragraph 620(1)(g)

Omit “would suffer severe financial hardship if the person were subject to the ordinary waiting period”, substitute “is in severe financial hardship”.

5 At the end of section 620

Add:

Note 9: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and subsection 19C(3) (person who is a member of a couple).

6 Subsection 676(7)

Repeal the subsection, substitute:

(7) If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while serving a liquid assets test waiting period, the Secretary may determine that the person does not have to serve the whole, or any part, of the waiting period.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and subsection 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable*** ***expenditure*** see subsection 19C(4).

7 Paragraph 693(f)

Omit “would suffer severe financial hardship if the person were subject to the ordinary waiting period”, substitute “is in severe financial hardship”.

8 At the end of section 693

Add:

Note 5: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and 19C(3) (person who is a member of a couple).

Part 2—Amendments commencing on 1 July 1999

Social Security Act 1991

9 Subsection 19C(1)

Omit “and liquid assets test waiting periods”, insert “, liquid assets test waiting periods and income maintenance periods”.

Note: The heading to section 19C is altered by omitting “**and liquid assets test waiting periods**” and substituting “**, liquid assets test waiting periods and income maintenance periods**”.

10 Subsection 19C(1) (at the end of the note)

Add:

Similarly, an income maintenance period may apply to a person who makes a claim for parenting payment or one of the following allowances:

(a) newstart allowance;

(b) partner allowance;

(c) widow allowance;

(d) mature age allowance;

(e) sickness allowance;

(f) youth allowance.

If an income maintenance period applies to the person then, for the duration of the period:

(a) the payment or allowance claimed may not be payable; or

(b) the amount of the payment or allowance payable may be reduced.

11 Subsection 19C(2)

Repeal the subsection, substitute:

(2) A person who is not a member of a couple who makes a claim for parenting payment or one of the following allowances:

(a) newstart allowance;

(b) widow allowance;

(c) mature age allowance;

(d) sickness allowance;

(e) youth allowance;

is***in severe financial hardship*** if the value of the person’s liquid assets (within the meaning of subsection 14A(1)) is less than the fortnightly amount at the maximum payment rate of the payment or allowance that would be payable to the person:

(f) if the person’s claim were granted; and

(g) in the case of a person to whom an income maintenance period applies, if that period did not apply.

12 Subsection 19C(3)

Repeal the subsection, substitute:

(3) A member of a couple who makes a claim for parenting payment or one of the following allowances:

(a) newstart allowance;

(b) partner allowance;

(c) mature age allowance;

(d) sickness allowance;

(e) youth allowance;

is***in severe financial hardship*** if the value of the couple’s liquid assets (within the meaning of subsections 14A(1) and (2)) is less than twice the fortnightly amount at the maximum payment rate of the payment or allowance that would be paid to the person:

(f) if the person’s claim were granted; and

(g) in the case of a person to whom an income maintenance period applies, if that period did not apply.

13 Subsection 19C(4)

After “waiting period,”, insert “or to whom an income maintenance period applies,”.

14 Paragraph 19C(4)(a)

Repeal the paragraph, substitute:

(a) the reasonable costs of living the person is taken, under subsection (6) or (7), to have incurred in respect of:

(i) if the person is serving a liquid assets test waiting period—so much of the period that the person has already served; or

(ii) if an income maintenance period applies to the person—so much of the period that has already applied to the person;

15 Subsection 19C(6) and (7)

Repeal the subsections, substitute:

(6) For the purposes of paragraph (4)(a), the amount of reasonable ***costs of living*** that a person who is not a member of a couple is taken to have incurred, may not exceed:

(a) in the case of a person who is serving a liquid assets test waiting period—the amount of allowance that would have been payable to the person during that part of the waiting period that the person has already served, if the person were not subject to the period; or

(b) in the case of a person to whom an income maintenance period applies—the amount of allowance or parenting payment (as the case may be) that would have been payable to the person during that part of the income maintenance period that has already applied to the person, if the period did not apply to the person.

Note: The heading to subsection 19C(6) is altered by inserting “*or an income maintenance period*” after “*period*”.

(7) For the purposes of paragraph (4)(a), the amount of reasonable ***costs of living*** that a person who is a member of a couple is taken to have incurred, may not exceed:

(a) in the case of a person who is serving a liquid assets test waiting period—twice the amount of allowance that would have been payable to the person during that part of the waiting period that the person has already served, if the person were not subject to the period; or

(b) in the case of a person to whom an income maintenance period applies—twice the amount of allowance or parenting payment (as the case may be) that would have been payable to the person during that part of the income maintenance period that has already applied to the person, if the period did not apply to the person.

Note: The heading to subsection 19C(7) is altered by inserting “*or an income maintenance period*” after “*period*”.

16 Subsection 19C(8)

Add at the end:

; or (d) in relation to widow allowance, partner allowance and mature age allowance under Part 2.12B—means the rate worked out at Step 4 of the Method statement in Module A of Benefit Rate Calculator B; or

(e) in relation to pension PP (single)—means the rate worked out in Step 4 of the Method statement in point 1068A-A1 in Module A of the Pension PP Rate Calculator; or

(f) in relation to PP (partnered) means the rate worked out at Step 4 of the Method statement in point 1068B-B7 in Module B of the PP (Partnered) Rate Calculator.

17 Point 1067-H5M

Repeal the point, substitute:

1067-H5M If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and subsection 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4).

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the allowance claimed may not be payable to the person; or

(b) the amount of the allowance payable to the person may be reduced.

18 Point 1067E-G6M

Repeal the point, substitute:

1067E-G6M If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and subsection 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable expenditure*** see subsection 19C(4).

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the allowance claimed may not be payable to the person; or

(b) the amount of the allowance payable to the person may be reduced.

19 Point 1068-G7AM

Repeal the point, substitute:

1068-G7AM If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple) and 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4).

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the allowance claimed may not be payable to the person; or

(b) the amount of the allowance payable to the person may be reduced.

20 Point 1068A-E9

Repeal the point, substitute:

1068A-E9 If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) (person who is not a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4).

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the pension PP (single) claimed may not be payable to the person; or

(b) the amount of the pension PP (single) payable to the person may be reduced.

21 Point 1068B-D15

Repeal the point, substitute:

1068B-D15 If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(3) (person who is a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4).

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the PP (partnered) claimed may not be payable to the person; or

(b) the amount of the PP (partnered) payable to the person may be reduced.

Part 3—Amendment of the Student and Youth Assistance Act 1973 that commences on 1 July 1998

22 Application

The following item has effect if, and only if, Part 8 of the *Student and Youth Assistance Act* 1973 is in force on 1 July 1998.

23 Subsection 72(11)

Repeal the subsection, substitute:

(11) If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while serving a liquid assets test waiting period, the Secretary may determine that the person does not have to serve the whole, or any part, of the waiting period.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) of the Social Security Act (person who is not a member of a couple) and subsection 19C(3) of the Social Security Act (person who is a member of a couple)

Note 2: For  ***unavoidable or reasonable* *expenditure*** see subsection 19C(4) of the Social Security Act.

Note: The heading to subsection 72(11) is replaced by the heading “*Secretary may determine that a person does not have to serve a waiting period*”*.*

Part 4—Amendment of the Student and Youth Assistance Act 1973 that commences on 1 July 1999

24 Application

The following item has effect if, and only if, Schedule 1 of the *Student and Youth Assistance Act* 1973 is in force on 1 July 1999.

25 Point G6G of Schedule 1

Repeal the point, substitute:

G6G If the Secretary is satisfied that a person is in severe financial hardship because the person has incurred unavoidable or reasonable expenditure while an income maintenance period applies to the person, the Secretary may determine that the whole, or any part, of the period does not apply to the person.

Note 1: For ***in severe financial hardship*** see subsection 19C(2) of the Social Security Act(person who is not a member of a couple) and subsection 19C(3) of the Social Security Act(person who is a member of a couple).

Note 2: For ***unavoidable or reasonable* *expenditure*** see subsection 19C(4) of the Social Security Act.

Note 3: If an income maintenance period applies to a person, then, during that period:

(a) the allowance claimed may not be payable to the person; or

(b) the amount of the allowance payable to the person may be reduced.

###### Schedule 5—Amendment of the Health Insurance Act 1973

1 At the end of section 4CA

Add:

(3) A person is also a disadvantaged person within the meaning of this section if all of the following conditions are satisfied:

(a) the person is a young person within the meaning of the *Social Security Act 1991*;

(b) the person:

(i) has a physical, intellectual or psychiatric disability; and

(ii) is likely to suffer from the disability permanently or for an extended period;

(c) because of that disability, the person needs on a daily basis a level of care and attention that is substantially more than that needed by a young person of the same age who does not have a physical, intellectual or psychiatric disability;

(d) family allowance is payable, or would (but for a provision of the *Social Security Act 1991*, or a reason, referred to in paragraph 953(b) of that Act) be, payable to another person (***FA recipient***) in respect of the person;

(e) the person receives care and attention on a daily basis from:

(i) the FA recipient; or

(ii) if the FA recipient is a member of a couple—the FA recipient or his or her partner;

in a private home that is the residence of the FA recipient and the person.

Note: The heading to section 4CA is altered by omitting “**attracting child disability allowance**” and substituting “**suffering from certain disabilities**”.

2 Paragraphs 5B(3)(a) and (b)

Omit “4 weeks”, substitute “8 weeks”.

3 Subsection 5B(6)

Omit “4 weeks”, substitute “8 weeks”.

4 Subsection 5B(12) (definition of *allowable income*)

Omit “4 weeks”, substitute “8 weeks”.

5 Subsection 5B(12) (paragraph (a) of the definition of *allowable income*)

Omit “4 times”, substitute “8 times”.

6 Subsection 5B(12) (paragraph (b) of the definition of *allowable income*)

Omit “four times”, substitute “8 times”.

7 Subsection 5B(12) (definition of *prescribed period*)

Omit “4 weeks”, substitute “8 weeks”.

8 Subsection 5C(1)

Omit “4 weeks”, substitute “8 weeks”.

9 Application

The amendments made by items 2 to 8 of this Schedule apply in relation to applications under section 5B of the *Health Insurance Act 1973* lodged on or after the commencement of this Schedule.

###### Schedule 6—Amendment of the Data‑matching Program (Assistance and Tax) Act 1990

1 Subsection 3(1) (paragraph (a) of the definition of *assistance agency*)

Omit “Human Services and Health”, substitute “Health and Family Services”.

2 Subsection 3(1) (paragraph (c) of the definition of *personal assistance*)

Repeal the paragraph, substitute:

(c) a social security payment within the meaning of the *Social Security Act 1991*; or

(ca) formal training allowance dealt with by the Department of Social Security or by the Services Delivery Agency; or

3 Subsection 3(1) (after paragraph (da) of the definition of *personal assistance*)

Insert:

or (db) a payment of fee relief under the *Child Care Act 1972* or any other payment known as Childcare assistance (fee relief) dealt with by the Department of Social Security or by the Services Delivery Agency; or

(dc) child care assistance or child care rebate under the *Child Care Payments Act 1997*;

4 Section 7 (subparagraph 14A(f) of step 5)

Omit “must not”, substitute “may”.

5 Section 7 (paragraph 16 of step 6)

Omit “must not”, substitute “may”.

6 Section 8

Repeal the section, substitute:

##### 8 Data may be sent on-line

Data may be transferred between agencies in the data matching program by on‑line computer connections.

[*Minister's second reading speech made in the⎯*

*House of Representatives on 2 October 1997*

*Senate on 29 October 1997*]

(190/97)