

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2012-13 Supplementary Estimates Hearings

Outcome Number: 1

Question No: 18

Topic: Schoolkids Bonus

Hansard Page: Written

Senator Cash asked:

In a situation where parents have shared care of a child where one parent pays all the educational costs for the child: a. Is it correct that the Schoolkids Bonus will continue to be paid to parents as a proportion of their percentage of care, irrespective of whether they have made any financial outlay on educational expenses? b. Is it correct that that a parent in this situation who pays the majority of the educational expenses will be worse off than they would under the Education Tax Refund?

Answer:

- a. The Schoolkids Bonus uses the same approach as applied under the Education Tax Refund to situations where separated parents share care of a child— that is the shared care percentage for Family Tax Benefit Part A for that child is applied to the Schoolkids Bonus. Unlike the Education Tax Refund, the Schoolkids Bonus does not require families to keep and provide receipts.
- b. A parent who has shared care of a child and pays all the educational costs for the child cannot receive a lower amount of Schoolkids Bonus than they would have under the Education Tax Refund. Under the Schoolkids Bonus, the maximum entitlement is paid in respect of every child, subject to the shared care percentage. Under the Education Tax Refund, parents could claim 50 per cent of eligible education expenses actually incurred, up to the maximum claimable amount. Where there was a shared care arrangement for Family Tax Benefit Part A, the maximum claimable amount for each parent under the Education Tax Refund was determined in accordance with the shared care percentage.