

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015 - 2016 Supplementary Budget Estimates Hearings

Outcome: National Disability Insurance Agency

Question No: NDIA SQ15-000129

Topic: Self-management (ATO)

Hansard Page: CA83

Senator Siewert asked:

I understand the ATO and the issues particularly around people self-managing are on your agenda to look at. Has this issue been raised with you about concerns for people that are self-managing funds and their interaction and declarations to the ATO?

Answer:

The National Disability Insurance Agency (NDIA) has published materials on the National Disability Insurance Scheme (NDIS) website which set out how participants may self-manage their NDIS plans. Some participants use funding in their NDIS plans to purchase services from financial intermediaries. The self-management materials emphasise the need for written agreements between a participant and a service provider.

Participants who are self-managing their plans are advised to set up a separate bank account into which the NDIS funds will be paid. The account holder is exempt from paying income tax on any funds received directly from the NDIA and held in this bank account. Any interest earned on NDIS funding is treated as income and must be reported to the Australian Taxation Office (ATO).

If self-managed participants require further information, they are advised to contact the ATO.

For further information about income tax treatment of NDIS payments visit the ATO website at: www.ato.gov.au.