

Senate Community Affairs Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
2 June to 6 June 2014

Department/ Agency: Treasury (transferred from Social Services)

Question: BET 3688

Topic: Family Payment Reform – Better targeting of Family Tax Benefit Part B

Reference: Written, 1 July 2014

Senator: Brown

Question:

3688. How many people or families currently eligible for the Dependent (Invalid and Carer) Tax Offset will be affected?

Answer:

3688. The measure affects those with income between \$100,000 and \$150,000, with the relevant income test for the Dependent (Invalid and Carer) Tax Offset being adjusted taxable income, plus spouse adjusted taxable income if the offset is being claimed in respect of a dependant other than a spouse.

The Dependent (Invalid and Carer) Tax Offset replaced the Dependent Relative Tax Offset in 2012-13. The Australian Tax Office has not yet published statistics for 2012-13 tax returns.

The latest release of *Taxation Statistics* indicates that around 1,950 individuals who claimed the Dependent Relative Tax Offset in 2011-12 had taxable income above \$100,000. Some individuals who became eligible for the new Dependent (Invalid and Carer) Tax Offset and had taxable income below \$100,000 may also be affected because of the other elements of the income test used for this Offset.