









# Balancing your family assistance payments

After the end of the financial year we compare your family income estimate with your actual income. This is to make sure we paid you the correct amount of family assistance. This process is called balancing.

## What you need to do

Not everyone has to do the same thing for us to balance their Family Tax Benefit and Child Care Subsidy. What you need to do depends on your circumstances.

You may need to lodge a tax return. If you have a partner, they may need to do this too. To check if you need to lodge a tax return go to the Australian Taxation Office (ATO) website.

If you or your partner lodge a tax return, the ATO will send us your income information. We usually get this information within 28 days from when you get your Notice of Assessment from them.

If you, your partner or ex-partner who you separated from during the financial year do not need to lodge a tax return, you need to let us know and confirm your family income. You can give us this information using either your Centrelink online account through myGov or Express Plus Centrelink mobile app.

Most parents who pay or receive child support must lodge a tax return. When the ATO assesses your tax return, they will send us your income details. We will use this to update your child support assessment. If the ATO has not yet assessed your taxable income or if you do not need to lodge a tax return, you will still need to tell us your income. You can do this using your Child Support online account through myGov.

## When we balance your payments

We can only balance your Family Tax Benefit after we have paid your last Family Tax Benefit payment for the financial year and you have confirmed your income. You will usually get your last payment by the middle of July.

When we balance your Family Tax Benefit, we check if you should be paid any supplements. This includes Family Tax Benefit Part A supplement, Family Tax Benefit Part B supplement and Single Income Family Supplement.

We start balancing Child Care Subsidy later than Family Tax Benefit. Before we can balance your Child Care Subsidy, we confirm your child's attendance for the financial year. We get this directly from your child care service.

We withhold a percentage of your Child Care Subsidy to help offset any potential overpayments. If you do not have an overpayment, we will pay any amount we withheld directly to you when we balance your Child Care Subsidy.

Once we have balanced your payments, we will send you a letter to explain the outcome. If you get your letters electronically, we will send it to your myGov inbox. You can check if your Family Tax Benefit and Child Care Subsidy have been balanced using your Express Plus Centrelink mobile app. You can also check if your Child Care Subsidy has been balanced using your Centrelink online account through myGov.

## How to understand your balancing outcome

There are 3 possible balancing outcomes:

- you were not paid enough
- you were paid too much
- no change.

### **You were not paid enough**

If we did not pay you enough during the year, we will pay any outstanding amounts directly to you when we balance your payments. We call this a top up.

If you have a Centrelink debt, we may recover it from your Family Tax Benefit top up and supplements.

If you have a child care debt, we may recover it from your Child Care Subsidy and Additional Child Care Subsidy top ups.

This may happen even if you have entered into a repayment arrangement with us.

Family Tax Benefit top up payments and supplements may also be used by the ATO to recover tax debts.

### **You were paid too much**

If you got too much Child Care Subsidy or Family Tax Benefit during the year, you may owe us money, which you will have to pay back.

To pay the money back, you need to enter into a repayment plan with us. You must do this by the due date in your letter.

We may recover overpayments of Child Care Subsidy and Family Tax Benefit from all of the following:

- your future Family Tax Benefit payments,
- your Family Tax Benefit top up and supplements
- tax refunds.

We may recover child care overpayments from your Child Care Subsidy or Additional Child Care Subsidy top up

This may happen even if you have entered into a repayment arrangement with us.

You can check your Centrelink debts online. Select '**Money You Owe**' from your Centrelink online account through myGov or by using the Express Plus Centrelink mobile app.

If you disagree with a decision we have made, you can ask us to review it.

It is important you talk to us if you are worried about paying back a debt. We can work with you to set up a repayment plan you can afford.

### **No change**

If we have paid you the right amount during the year, you will not get a top up or debt.

## **How to manage your payments**

It is important to review your family income estimate regularly. If you have underestimated your family income in the past, make sure your current estimate is accurate. Update it whenever things change. This will help you avoid an overpayment.

You should update your activity details for Child Care Subsidy every time there is a change. We use your activity level, the age of your children, type of care you use and your family income estimate to work out how much Child Care Subsidy you can get. Keeping all your details up to date will help you avoid an overpayment.

It is also important you confirm your income within 1 year of the end of the relevant financial year. If you do not confirm your income, your payments may stop and you may have to repay the full amount of Family Tax Benefit or Child Care Subsidy you got.

## For more information

- Go to [servicessaustralia.gov.au/balancing](https://servicessaustralia.gov.au/balancing) for more information in English
- Go to [servicessaustralia.gov.au/yourlanguage](https://servicessaustralia.gov.au/yourlanguage) where you can read, listen to or watch information in your language
- Call **131 202** to speak with us in your language about Centrelink payments and services
- Call **132 011** for Medicare and **131 272** for Child Support. Let us know if you need an interpreter, and we will arrange one for free
- Visit a service centre.

Note: calls from your home phone to '13' numbers from anywhere in Australia are charged at a fixed rate. That rate may vary from the price of a local call and may also vary between telephone service providers. Calls to '1800' numbers from your home phone are free. Calls from public and mobile phones may be timed and charged at a higher rate.

## Disclaimer

The information contained in this publication is intended only as a guide to payments and services. It is your responsibility to decide if you wish to apply for a payment and to make an application with regard to your particular circumstances.