



Budget 2026-27

This information is accurate as of 12 May 2026.

Addressing systems abuse in the Child Support Scheme

CATEGORY: Services Australia

Reforms to the Child Support Scheme will make Australia's child support systems safer and fairer. They target points of weaponisation, financial abuse, and non-compliance to close loopholes that allow perpetrators of family and domestic violence to weaponise child support.

Protecting families from family and domestic violence (FDV) in the Child Support system

This targets the most common points of abuse and gives Services Australia greater discretion to intervene where FDV is evident.

A parent switching to Agency Collect will get more support to collect Child Support debt. Debts raised in the past 3 months (or 9 months in special circumstances) will be able to be transferred for collection in Agency Collect. This includes newly raised historic debts that arise from people lodging outstanding tax returns for previous years being transferred to Agency Collect for debt recovery.

For parents with Private Collect arrangements, the recovery of Family Tax Benefit (FTB) Part A debts caused by reassessment of Child Support will be paused for 3 months after debts are raised. This will give parents the opportunity to:

- collect the extra Child Support from the paying parent
- switch to Agency Collect
- ask to have outstanding Child Support recovered by Services Australia, or apply for an exemption from the Maintenance Action Test (MAT).

Services Australia will get more discretionary powers, to better protect customers from vexatious or harassing behaviour. This includes the ability to:

- refuse Child Support applications that are made to harass the other party who would be a payee
- refuse objections that have no prospect of success, have no merit, or are of no material consequence
- refuse vexatious change of assessment applications, before or after accepting an application
- apply discretion in exceptional circumstances to not correct an error, where it would place an individual at an undue risk of FDV or not materially impact the assessment.

This measure will also:

- remove the mandatory Open Exchange of Information
- introduce an alternative information exchange model to protect personal privacy and natural justice for the Change of Assessment process.

This important change responds to customer concerns about Open Exchange of Information creating an unsafe and intrusive process for victim-survivors of FDV.

Improving interactions between Child Support and FTB

Parents will get better support when applying for FTB, to help them meet their obligations and get assistance when they need it.

Parents will be better placed to understand their options, including exemptions from the MAT. It will also support Services Australia staff to have conversations about circumstances that may warrant a MAT exemption, including:

- safety
- experiences of FDV
- cultural considerations
- unknown parentage.

Parents will be able to use an online service to advise they've applied for Child Support, or are unable to apply.

The online application for a Child Support assessment will also be improved through the introduction of a new guidance tool. This tool will use risk-screening questions so parents get targeted guidance about collection options and their associated risk - making it easier for them to choose the collection arrangement that best fits their circumstances and work best for their families.

Improving the accuracy of Child Support assessment

This will extend data-sharing arrangements between Services Australia and the Australian Taxation Office to improve the accuracy of income information used in Child Support assessments, and reduce the opportunity and impact of weaponisation of the taxation system and Child Support Scheme.

This will also address issues in the administration of Child Support and spousal support for specific international cases, including through:

- regular updates to foreign currency exchange rates
- additional options for parents and children living in some overseas countries to engage with Services Australia to access Child Support.

Improving compliance – ensuring parents pay

Employer withholding changes will improve Child Support collection effectiveness and timeliness by:

- amending legislation to expand use of employer withholding and allow faster payments of Child Support
- reducing manual touch points in the process
- increasing efficiencies in payment processing
- uplifting the Child Support Business Online Service to improve the employer experience when engaging with us
- aligning collection and payments with payer pay cycles.

This will also expand use of Departure Prohibition Orders to improve compliance within the Child Support Scheme. A Departure Prohibition Order will be automatically issued to a person who pays Child Support if:

- they've travelled overseas more than once in the past 2 years
- their Child Support debt (or overpayment) reaches \$10,000.

This will strengthen compliance across the Child Support Scheme by:

- reducing the number of people that are accumulating Child Support debt
- improving financial stability and support for children by disbursing payments sooner.

These reforms are led by the Department of Social Services.

Services Australia will get \$158.4 million through to 2029-30 to implement this measure.

This measure is subject to legislation passing.

Who this measure affects

Australians impacted by the Child Support Scheme.

When this starts and finishes

From 1 July 2027 and is ongoing.