Transcript – Child Care Subsidy Withholding

It's important you get paid the correct amount of Child Care Subsidy and there are ways you can ensure this.

We know it's not always easy working out your annual family income estimate. You need to factor in any changes that might happen to your family in the financial year. You might get a pay rise or get that promotion, or even an end of year bonus.

This is why checking your estimate often and keeping it up to date is really important. This will help make sure that you get the right amount of subsidy so we don't pay you too much.

But it's not the only way you can make sure we don't overpay you. You can also avoid getting overpaid by changing your withholding. We already hold on to 5% of everybody's subsidy. You can adjust how much of the subsidy we hold onto to make sure you don't have an overpayment at the end of the financial year.

At the end of the financial year, we balance your payments. This is where we compare your estimated income to your actual income and check you got the right amount of subsidy. If you didn't get enough throughout the year, we'll pay you a top up, which will include the amount we held onto. Or if it turns out we paid you too much, it will go towards covering the overpayment.

You can increase this percentage so that we hold on to more of your subsidy. It will mean you'll have a higher out-of-pocket amount to pay to the child care services but this can help to give you a bigger buffer if you find your family income difficult to estimate.

Use your Centrelink online account or the Express Plus Centrelink mobile app to change your withholding percentage.