



A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999

Act No. 82 of 1999 as amended

This compilation was prepared on 13 May 2003

**[This Act was amended by Act No. 83 of 1999
(as amended by Act No. 172 of 1999) and Act No. 30 of 2003]**

Amendments from No. 172 of 1999

[Schedule 11 (item 1) amended section 4

Schedule 11 (item 2) added section 5

The amendment made by item 1 commenced on 8 July 1999]

The amendment made by item 2 commenced on 10 December 1999]

Amendments from No. 30 of 2003

[Schedule 2 (item 88) amended Schedule 7 (item 78)]

The amendment made by item 88 commenced on 1 July 2000]

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An Act to implement A New Tax System by amending legislation as a consequence of the *A New Tax System (Family Assistance) Act 1999*, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*.

2 Commencement

- (1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.
- (2) Schedule 1, item 3 of Schedule 2 and Schedules 3 to 8 commence, or are taken to have commenced, immediately after the commencement of:
 - (a) the *A New Tax System (Family Assistance) Act 1999*; and
 - (b) Schedules 1, 2 and 3 of the *A New Tax System (Compensation Measures Legislation Amendment) Act 1999*.
- (3) Items 1, 2, 4 and 5 of Schedule 2 commence immediately before the day that is the payment commencement day for the purposes of the *Child Care Payments Act 1997*.
- (4) Schedule 9 commences on 1 January 2001.

3 Schedule(s)

Subject to section 2, each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

4 Regulations

The Governor-General may make regulations providing for matters of a transitional nature in respect of the following:

- (a) the amendments made by this Act and the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 2) 1999*;
- (b) the enactment of the *A New Tax System (Family Assistance) Act 1999* and the *A New Tax System (Family Assistance) (Administration) Act 1999*;
- (c) the making of regulations under the *A New Tax System (Family Assistance) (Administration) Act 1999*.

5 Transitional provision—disclosure of personal information

- (1) Without limiting section 4, a record keeper who has possession or control of a record that contains personal information may use the information, or disclose the information to a person, body or agency, for transitional purposes in respect of the following:
 - (a) the amendments made by the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 2) 1999* and this Act;
 - (b) the enactment of the *A New Tax System (Family Assistance) Act 1999* and the *A New Tax System (Family Assistance) (Administration) Act 1999*.
- (2) To avoid doubt, if information is used or disclosed in accordance with subsection (1), the use or disclosure is taken, for the purposes of the Information Privacy Principles set out in section 14 of the *Privacy Act 1988*, to be authorised by law.
- (3) Unless the contrary intention appears, an expression used in this section has the same meaning as in the *Privacy Act 1988*.

2 *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999* [This Act was amended by Act No. 83 of 1999 (as amended by Act No. 172 of 1999) and Act No. 30 of 2003]

Schedule 1—Parenting payment ordinary income test taper amendments

Social Security Act 1991

1 Points 1068B-D30 and 1068B-D31

Repeal the points, substitute:

Lower range reduction

1068B-D30 The person's lower range reduction is an amount equal to 50% of the part of the person's ordinary income excess that does not exceed \$183.

Upper range reduction

1068B-D31 The person's upper range reduction is an amount equal to 70% of the part (if any) of the person's ordinary income excess that exceeds \$183.

Schedule 2 Child care assistance and childcare rebate: repeals and related transitional provisions

Part 1 Repeals relating to child care assistance and child care rebate

Schedule 2—Child care assistance and childcare rebate: repeals and related transitional provisions

Part 1—Repeals relating to child care assistance and child care rebate

Child Care Payments Act 1997

1 The whole of the Act

Repeal the Act.

Child Care Payments (Consequential Amendments and Transitional Provisions) Act 1997

2 The whole of the Act

Repeal the Act.

Childcare Rebate Act 1993

3 The whole of the Act

Repeal the Act.

⁴ *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999* [This Act was amended by Act No. 83 of 1999 (as amended by Act No. 172 of 1999) and Act No. 30 of 2003]

Part 2—Transitional provisions resulting from the repeal of the Child Care Payments Act 1997

Child Care Act 1972

4 Subsection 4(1) (definition of *immunised*)

Repeal the definition, substitute:

immunised, in relation to a child, means the child is immunised in accordance with:

- (a) a standard vaccination schedule determined under section 4H; or
- (b) a catch up vaccination schedule determined under section 4H.

5 At the end of Part I

Add:

4H Minister's power to make determinations for the purpose of the definition of *immunised*

- (1) The Minister may, for the purpose of the definition of *immunised* in subsection 4(1), determine, in writing:
 - (a) one or more standard vaccination schedules for the immunisation of children; and
 - (b) one or more catch up vaccination schedules for the immunisation of children who have not been immunised in accordance with a standard vaccination schedule.
- (2) A determination under this section is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.
- (3) If, immediately before the repeal of the *Child Care Payments Act 1997*, a determination was in force under subsection 18(1) of that Act, that determination has effect as if it were a determination under subsection (1) of this section.

Schedule 3—Amendment of the Child Care Act 1972

Child Care Act 1972

1 Subsection 4(1) (definition of *Agency*)

Repeal the definition.

2 Subsection 4(1) (definition of *Agency Act*)

Repeal the definition.

3 Subsection 4(1) (definition of *approved child care service*)

Repeal the definition.

4 Subsection 4(1) (definition of *Australian Immunisation Handbook*)

Repeal the definition.

5 Subsection 4(1) (definition of *CEO*)

Repeal the definition.

6 Subsection 4(1) (definition of *conscientious objection*)

Repeal the definition.

7 Subsection 4(1) (definition of *eligibility requirements*)

Repeal the definition.

8 Subsection 4(1) (definition of *fee relief beneficiary*)

Repeal the definition.

9 Subsection 4(1) (definition of *immunised*)

Repeal the definition.

⁶ *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999* [This Act was amended by Act No. 83 of 1999 (as amended by Act No. 172 of 1999) and Act No. 30 of 2003]

10 Subsection 4(1) (definition of *partner*)

Repeal the definition.

11 Subsection 4(1) (paragraph (a) of the definition of *protected information*)

Omit “, the Health Insurance Commission or the Agency”.

12 Subsection 4(1) (definition of *quarter*)

Repeal the definition.

13 Subsection 4(1) (definition of *recognised immunisation provider*)

Repeal the definition.

14 Subsection 4(1) (definition of *service arrangements*)

Repeal the definition.

15 Subsection 4(1) (definition of *Social Security Secretary*)

Repeal the definition.

16 Paragraph 4(2)(b)

Omit “or”.

17 Paragraph 4(2)(c)

Repeal the paragraph.

18 Subsection 4B(1)

Omit “(other than section 12A)”.

19 Subsections 4B(2), (3) and (4)

Repeal the subsections.

20 Subsection 4C(1)

Repeal the subsection, substitute:

- (1) The Minister may, by determination in writing, make guidelines with respect to the exercise of the Minister’s powers under section 4B.
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21 Subsection 4C(1A)

Repeal the subsection.

22 Sections 4D, 4E, 4F, 4G and 4H

Repeal the sections.

23 Division 1 of Part III (heading)

Repeal the heading, substitute:

Division 1—Grants for new eligible child care centres

24 Section 12A

Repeal the section.

25 Division 2 of Part III

Repeal the Division.

26 Division 3 of Part III

Repeal the Division.

27 Division 4 of Part III

Repeal the Division.

28 Subsection 21(2)

Repeal the subsection.

29 Section 21A

Repeal the section.

Schedule 4—Amendments relating to family allowance

Social Security Act 1991

1 Section 3 (index of definitions)

Omit:

assumed notifiable event	6(1)
FA child	6(1)
family allowance advance	864A
family allowance advance period	864B(2), (3), (4), (5)
family allowance payday	6(1)
family allowance period	6(1)
guardian allowance	6(1)
large family supplement	6(1)
large family supplement calculation amount	6(1)
minimum FA child rate	6(1)
minimum family allowance rate	6(1)
minimum standard family allowance rate	6(1)
multiple birth allowance	6(1)
notifiable event	6(1)
standard advance period	6(1)
standard family allowance rate	6(1)

2 Section 6

Repeal the section, substitute:

6 *Double orphan pension definitions*

In this Act, unless the contrary intention appears:

approved care organisation means an organisation approved by the Secretary under subsection 35(1).

Schedule 4 Amendments relating to family allowance

double orphan means a young person who is a double orphan in accordance with section 993 or 994.

3 Part 2.17

Repeal the Part.

4 Part 3.7

Repeal the Part.

Schedule 5—Amendments relating to family tax payment

Social Security Act 1991

1 Section 3 (index of definitions)

Omit:

claim for family tax payment	6AA
elected to receive family tax payment	900AG(2)
excluding provision	6AA
FTP child	900AA, 900AB and 900AC
lowest marginal rate of tax	6AA
recipient	6AA

2 Section 6AA

Repeal the section.

3 Part 2.17AA

Repeal the Part.

4 Part 3.8

Repeal the Part.

Schedule 6—Amendments relating to maternity allowances

Social Security Act 1991

1 Part 2.17A

Repeal the Part.

Schedule 7—Amendments relating to parenting payment

Social Security Act 1991

1 Section 3 (index of definitions)

Omit:

maximum basic component of parenting payment	18
PP (partnered)	18
seasonal work non-benefit period	16A(1)
subject to a seasonal work non-benefit period	16A(1)

2 Paragraph 4(6A)(f)

Omit “or section 500Q (Parenting payment assets test for person not member of a couple)”.

3 Subsection 4(6A) (after table item 1)

Insert:

1A	section 500Q	Parenting payment assets test
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4 Subsections 7(6) and 7(6AA)

Omit “, a non-benefit PP (partnered)”.

5 Subsection 8(1) (definition of *ordinary income*, note 4)

Repeal the note.

6 Paragraph 8(8)(zm)

Repeal the paragraph, substitute:

(zm) if a person:

- (i) is a member of a couple; and
- (ii) is receiving a social security benefit;

a payment received by the person either directly or indirectly from his or her partner.

7 Paragraph 12C(5)(ba)

Repeal the paragraph, substitute:

(ba) subsections 500Q(4) and (5); and

8 Subsection 16A(1) (definition of *seasonal work non-benefit period*)

Repeal the definition.

9 Subsection 16A(1) (definition of *subject to a seasonal work non-benefit period*)

Repeal the definition.

10 Subsection 16A(6) (method statement, step 5)

Omit “This step does not apply in the case of a person who has made a claim for parenting payment; in such a case, go directly to Step 6. In any other case, work out”, substitute “Work out”.

11 Subsection 16A(6) (method statement, step 6)

Repeal the step, substitute:

<p><i>Step 6.</i> Divide the couple’s combined earnings by twice the amount of the relevant AWOTE for the calendar year in which the claim was lodged. The result is called the couple’s AWOTE weeks and represents the number of weeks (including any part of a week) that 2 persons, each paid at a rate equal to the relevant AWOTE for that calendar year, would have to work to earn together an amount equal to the couple’s combined earnings.</p>

12 Subsection 16A(7) (method statement, step 4)

Omit “Steps 4, 5 and 6 do not apply in the case of a person who has made a claim for parenting payment; in such a case, go directly to Step 7. In any other case, work out”, substitute “Work out”.

13 Subsection 16A(7) (method statement, step 7)

Repeal the step, substitute:

<p><i>Step 7.</i> Divide the couple's combined earnings by twice the amount of the relevant AWOTE for the calendar year in which the claim was lodged. The result is called the couple's AWOTE weeks and represents the number of weeks (including any part of a week) that 2 persons, each paid at a rate equal to the relevant AWOTE for that calendar year, would have to work to earn together an amount equal to the couple's combined earnings.</p>

14 Subsections 16A(12) and (13)

Repeal the subsections.

15 Section 18 (definition of *benefit PP (partnered)*)

Repeal the definition, substitute:

benefit PP (partnered) means parenting payment whose rate is worked out under the Benefit PP (Partnered) Rate Calculator in section 1068B.

16 Section 18 (definition of *maximum basic component of parenting payment*)

Repeal the definition.

17 Section 18 (definition of *non-benefit PP (partnered)*)

Repeal the definition, substitute:

non-benefit PP (partnered) means non-benefit PP (partnered) under this Act as in force immediately before the commencement of the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*.

18 Section 18 (paragraph (b) of the definition of *parenting payment*)

Repeal the paragraph, substitute:

(b) benefit PP (partnered).

19 Section 18 (definition of *PP (partnered)*)

Repeal the definition.

20 Paragraph 19C(8)(e)

Repeal the paragraph, substitute:

- (e) in relation to benefit *PP (partnered)*—means the rate worked out at step 4 of whichever of the method statements in points 1068B-A2 and 1068B-A3 in Module A of the Benefit *PP (Partnered)* Rate Calculator is applicable to the person.

21 Paragraph 500I(1)(e)

Omit “(see sections 500S to 500U)”, substitute “(see section 500S)”.

22 Subsection 500Q(1)

Omit “who is not a member of a couple”.

Note: The heading to section 500Q is replaced by the heading “**Assets test—payment not payable if assets value limit exceeded**”.

23 Subsection 500Q(2)

Omit all the words before the table, substitute “The assets value limit of a person who is not a member of a couple is worked out using the following table:”.

24 Subsection 500Q(2) (table heading)

Repeal the heading, substitute:

Table—Assets value limits for person who is not a member of a couple

25 At the end of section 500Q

Add:

- (3) The assets value limit of a person who is a member of a couple is worked out using the following table:

Table—Assets value limits for person who is a member of a couple

Column 1	Column 2	Column 3	
Item	Person’s situation	Assets value limit	
		Column 3A	Column 3B
		Either person or partner homeowner	Neither person nor partner homeowner
1	Person is partnered (partner getting neither pension nor benefit)	\$178,500	\$268,500
2	Person is partnered (partner getting pension or benefit)	\$89,250	\$134,250

Note 1: For *partnered (partner getting neither pension nor benefit)* and *partnered (partner getting pension or benefit)* see subsection 4(11).

Note 2: For *homeowner* see subsection 11(4).

Note 3: If item 1 applies to a person, the value of all the assets of the person’s partner are to be taken as being included in the value of the person’s assets (see subsection (4)). If item 2 applies to a person, the value of the person’s assets is only half the combined value of the person’s assets and the assets of the person’s partner (see subsection (5)).

Note 4: If benefit PP (partnered) is not payable to a person because of the value of the person’s assets, the person may be able to take advantage of provisions dealing with financial hardship (see sections 1131 and 1132).

Note 5: The assets value limits of item 2 are indexed annually in line with CPI increases (see sections 1191 to 1194).

Note 6: The item 1 assets value limits are adjusted annually so that they are twice the corresponding item 2 limits (see subsections 1204(2) and (3)).

- (4) For the purposes of subsection (3), if the person is partnered (partner getting neither pension nor benefit):
- (a) the value of the person’s assets includes the value of the partner’s assets; and
 - (b) the value of assets of a particular kind of the person includes the assets of that kind of the partner.

Note: For *partnered (partner getting neither pension nor benefit)* see subsection 4(11).

- (5) For the purposes of subsection (3), if the person is partnered (partner getting pension or benefit):
- (a) the value of the person's assets is taken to be 50% of the sum of the value of the assets of the person and the value of the assets of the person's partner; and
 - (b) the value of the person's assets of a particular kind are taken to be 50% of the sum of the value of the assets of that kind of the person and the value of the assets of that kind of the person's partner.

Note: For *partnered (partner getting pension or benefit)* see subsection 4(11).

- (6) If the Secretary determines in writing a higher amount in substitution for an existing amount in item 1 in the table in subsection (3), the higher amount is taken, on 1 July 2000, to be substituted for the existing amount. A determination under this subsection is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.
- (7) On 1 July 2000, each amount specified in a column in item 2 in the table in subsection (3) is taken to have been replaced with the amount (adjusted in accordance with section 1206GC) that was specified in the equivalent column in item 2 in the table in point 1068B-B3 immediately before that table was repealed by the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*.

26 Section 500S

Repeal the section, substitute:

500S Multiple entitlement exclusion

- (1) Parenting payment is not payable to a person if the person is already receiving a service pension.
- (2) If:
- (a) a person is receiving parenting payment; and
 - (b) a social security pension other than a pension PP (single) or a social security benefit other than a benefit PP (partnered) or service pension becomes payable to the person;

parenting payment is not payable to the person.

Note 1: Another payment type will generally not become payable to the person until the person claims it.

Note 2: For *social security pension* and *social security benefit* see subsection 23(1).

Note 3: For the day on which parenting payment ceases to be payable see section 508.

- (3) Parenting payment is not payable to a woman if:
- (a) the woman is an armed services widow; and
 - (b) the woman is receiving a pension under Part II or IV of the Veterans' Entitlements Act at a rate determined under or by reference to subsection 30(1) of that Act.

Note: For *armed services widower* see subsection 4(1).

- (4) Parenting payment is not payable to a man if:
- (a) the man is an armed services widower; and
 - (b) the man is receiving a pension under Part II or IV of the Veterans' Entitlements Act at a rate determined under or by reference to subsection 30(1) of that Act.

Note: For *armed services widower* see subsection 4(1).

27 Section 500T

Repeal the section.

28 Section 500U

Repeal the section.

29 At the end of section 500V

Add:

- (3) Parenting payment is not payable to the person if the person's partner is receiving a payment under the ABSTUDY scheme that includes a dependent spouse allowance.

30 Subsection 500Z(2) (note 2)

Repeal the note.

31 Paragraph 503(b)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

32 Subsection 504A(3)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

33 Subsection 504F(5) (note)

Repeal the note.

34 Paragraph 504F(5)(b)

Repeal the paragraph, substitute:

- (b) an amount of pharmaceutical allowance is added to the person’s maximum basic rate in working out the person’s benefit PP (partnered) rate; and

35 Section 508

Repeal the section, substitute:

If:

- (a) a person is receiving parenting payment; and
- (b) a social security pension other than a pension PP (single) or a social security benefit other than a benefit PP (partnered) or service pension becomes payable to the person;

parenting payment ceases to be payable to the person immediately before the day on which the other social security pension, the benefit or the service pension becomes payable to the person.

Note: The heading to section 508 is altered by omitting “—**person not a member of a couple**”.

36 Section 508A

Repeal the section.

37 Paragraph 508B(c)

Repeal the paragraph, substitute:

- (c) a payment under the ABSTUDY scheme (the ***ABSTUDY payment***) that includes a dependent spouse allowance becomes payable to the person’s partner;
-

38 Sections 509D and 509E

Repeal the sections.

39 Paragraph 512(1)(a)

Omit “(other than non-benefit PP (partnered))”.

40 Subsection 512(1) (note)

Repeal the note.

41 Section 512A

Repeal the section.

42 Paragraph 729(2)(bb)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

43 Subsection 900F(1)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

44 Paragraph 900F(2)(b)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

45 Paragraph 1061ED(3)(b)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

46 Subsection 1068A(3)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

47 Subsection 1068B(1)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

48 Subsection 1068B(2)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

49 Subsections 1068B(3) and (4)

Repeal the subsections.

50 Section 1068B (Rate Calculator, heading)

Repeal the heading, substitute:

Benefit PP (Partnered) Rate Calculator

51 Section 1068B (PP (Partnered) Rate Calculator, Module A)

Repeal the Module, substitute:

Module A—Overall rate calculation process

Method of calculating rate—general

1068B-A1 The rate of benefit PP (partnered) is a daily rate. That rate is worked out by dividing the fortnightly rate calculated according to this Rate Calculator by 14. There are 2 ways of working out the fortnightly rate:

- (a) one for a person who is not a partner of a non-independent YA recipient (see point 1068B-A2); and
- (b) one for a person who is a partner of a non-independent YA recipient (see point 1068B-A3).

Note: For *partner of a non-independent YA recipient* see subsection 23(1).

Method of calculating rate for person who is not a partner of a non-independent YA recipient

1068B-A2 If a person is not the partner of a non-independent YA recipient, the fortnightly rate of benefit PP (partnered) for the person is worked out as follows:

Method statement

- Step 1.* Work out the person's *maximum basic rate* using Module C below.
- Step 2.* Work out the amount per fortnight (if any) of rent assistance using Module F below.
- Step 3.* Work out the amount per fortnight (if any) of pharmaceutical allowance using Module E below.

- Step 4.* Add up the amounts obtained in steps 1 to 3: the result is called the **maximum payment rate**.
- Step 5.* Apply the income test using Module D below to work out the person's income reduction.
- Step 6.* Take the income reduction away from the maximum payment rate: the result is called the **provisional payment rate**.
- Step 7.* The rate of benefit PP (partnered) is the difference between:
- (a) the provisional payment rate; and
 - (b) any advance payment deduction (see Part 3.16A);
- plus any amount by way of remote area allowance that, under Module G, is to be added to the person's rate of benefit PP (partnered).

Note 1: For **partner of a non-independent YA recipient** see subsection 23(1).

Note 2: If a person's rate is reduced under step 6, the order in which the reduction is to be made against the components of the maximum payment rate is laid down by section 1207 (maximum basic rate first, then rent assistance).

Method of calculating rate for partner of a non-independent YA recipient

1068B-A3 If a person is the partner of a non-independent YA recipient, the fortnightly rate of benefit PP (partnered) for the person is worked out as follows:

Method statement

- Step 1.* Work out the person's **maximum basic rate** using Module C below.
- Step 2.* Work out the amount per fortnight (if any) of rent assistance using Module F below.

- Step 3.* Work out the amount per fortnight (if any) of pharmaceutical allowance using Module E below.
- Step 4.* Add up the amounts obtained in steps 1 to 3: the result is called the **maximum payment rate**.
- Step 5.* Apply the income test using Module E of the Rate Calculator in section 1068A to work out the person's income reduction.
- Step 6.* Take the income reduction away from the maximum payment rate: the rate is called the **provisional payment rate**.
- Step 7.* The rate of benefit is the difference between:
- (a) the provisional payment rate; and
 - (b) any advance payment deduction (see Part 3.16A);
- plus any amount by way of remote area allowance that, under Module G, is to be added to the person's rate of benefit PP (partnered).

Note 1: For **partner of a non-independent YA recipient** see subsection 23(1).

Note 2: If a person's rate is reduced under step 6, the order in which the reduction is to be made against the components of the maximum payment rate is laid down by section 1207 (maximum basic rate first, then rent assistance).

52 Section 1068B (PP (Partnered) Rate Calculator, Module B)

Repeal the Module.

53 Point 1068B-C1

Repeal the point.

54 Point 1068B-C2

Omit "If parenting payment payable to a person is a benefit PP (partnered), the person's", substitute "A person's".

Note: The heading to point 1068B-C2 is altered by omitting "*—benefit PP (partnered)*".

55 Point 1068B-D1

Omit all the words before the method statement, substitute “This is how to work out the effect of a person’s ordinary income, and the ordinary income of the person’s partner, on the person’s maximum payment rate:”.

56 Point 1068B-D1 (method statement, step 4)

Omit “points 1068B-D24 and 1068B-D25”, substitute “point 1068B-D24”.

57 Point 1068B-D1 (method statement, step 8)

Omit “1068B-D32”, substitute “1068B-D31”,

58 Point 1068B-D1 (method statement, step 9)

Omit “Step 2 of the Method statement in points 1068B-A2 and 1068B-A3”, substitute “step 5 of the method statement in point 1068B-A2”.

59 Point 1068B-D1 (note 2)

Omit “points 1068B-A2 (Step 3) and 1068B-A3 (Step 3)”, substitute “point 1068B-A2 (step 6)”.

60 Point 1068B-D2 (note)

Repeal the note.

61 Point 1068B-D3

Repeal the point.

62 Paragraph 1068B-D23(a)

Repeal the paragraph.

63 Point 1068B-D24

Omit “Subject to point 1068B-D25, if”, substitute “If”.

64 Points 1068B-D25 and 1068B-D26

Repeal the points.

65 Point 1068B-D29 (note)

Repeal the note.

66 Point 1068B-D32

Repeal the point.

67 Point 1068B-E1

Omit “provisional payment rate in point 1068B-A3”, substitute “maximum payment rate in points 1068B-A2 and 1068B-A3”.

68 Paragraph 1068B-E1(a)

Repeal the paragraph.

69 Subpoint 1068B-E5(2) (definition of *pharmaceutical allowance rate*)

Repeal the definition, substitute:

pharmaceutical allowance rate is the fortnightly amount of pharmaceutical allowance which would be included in the person’s maximum payment rate in working out the benefit PP (partnered) instalment for the day on which the advance is paid if parenting payment were payable to the person and pharmaceutical allowance were to be included in the person’s maximum payment rate. (The person’s maximum payment rate is the maximum payment rate at step 4 of whichever of the method statements in points 1068B-A2 and 1068B-A3 is applicable to the person.)

70 Point 1068B-F1

Omit “provisional payment rate in the Method statement in point 1068B-A3”, substitute “maximum payment rate in points 1068B-A2 and 1068B-A3”.

71 Paragraph 1068B-F1(a)

Repeal the paragraph.

72 Point 1068B-G1

Omit all the words before paragraph (a), substitute:

An amount by way of remote area allowance is to be added in step 7 of the method statements in points 1068B-A2 and 1068B-A3 to a person's rate of benefit PP (partnered) if:

73 Paragraph 1068B-G1(a)

Repeal the paragraph.

74 Section 1072 (note 1)

Omit "See also point 1068B-D3 (PP (Partnered) Rate Calculator).".

75 Paragraphs 1106(2)(a) and (b)

Omit ", a non-benefit PP (partnered)".

76 Subsection 1109(1A)

Omit "or non-benefit PP (partnered)".

77 Subsection 1109(1B)

Omit "or non-benefit PP (partnered)".

78 Paragraphs 1123(2)(a) and (b)

Omit ", non-benefit PP (partnered)" (wherever occurring).

79 Subsection 1131(2A)

Repeal the subsection.

80 Subsection 1164(7)

Repeal the subsection.

81 Subsection 1165(2)

Omit "Subject to subsection (2B), if", substitute "If".

82 Subsection 1165(2AA)

Omit "Subject to subsection (2B), if", substitute "If".

83 Subsection 1165(2B)

Repeal the subsection.

84 Subsection 1166(2)

Omit “, (4B)”.

85 Paragraph 1166(4A)(c)

Omit “(other than a parenting payment)”.

86 Subsection 1166(4B)

Repeal the subsection.

87 Subsection 1168(1)

Omit “, (5), (6) and (7)”, substitute “and (5)”.

88 Subsection 1168(4)

Omit “Subject to subsections (6) and (7), if”, substitute “If”.

89 Paragraphs 1168(4)(b), (c) and (d)

Omit “or a parenting payment”.

90 Subsection 1168(4)

Omit “or parenting payment”.

91 Subsection 1168(5)

Omit “or parenting payment” (wherever occurring).

92 Subsection 1168(5) (definition of *partner’s excess compensation rate*)

Omit “or parenting payment”.

93 Subsection 1168(5) (note 1)

Omit “(However, in the case of parenting payment, the effect of the partner’s excess compensation rate may be reduced by subsection (6))”.

94 Subsection 1168(6)

Repeal the subsection.

95 Subsection 1168(7)

Repeal the subsection.

96 Subsection 1170(4A)

Omit “Subject to subsection (4B), if”, substitute “If”.

97 Subsection 1170(4B)

Repeal the subsection.

98 Subsection 1174(6AA)

Repeal the subsection.

99 Subsection 1179(6AA)

Repeal the subsection.

100 Section 1190 (table item 2, column 2)

Omit “or for PP (partnered)”.

101 Section 1190 (table item 2, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

102 Section 1190 (table item 18, column 2)

Omit “or for PP (partnered)”.

103 Section 1190 (table item 18, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

104 Section 1190 (table item 18A, column 2)

Omit “or for PP (partnered)”.

105 Section 1190 (table item 18A, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

106 Section 1190 (table item 30, column 2)

Omit “or PP (partnered)”.

107 Section 1190 (table item 30, column 4)

Omit “PP (Partnered) Rate Calculator—point 1068B-B3—Table B—Column 3A—item 1”, substitute “subsection 500Q(3)—Table—Column 3A—item 1”.

108 Section 1190 (table item 31, column 2)

Omit “or PP (partnered)”.

109 Section 1190 (table item 31, column 4)

Omit “PP (Partnered) Rate Calculator—point 1068B-B3—Table B—Column 3B—item 1”, substitute “subsection 500Q(3)—Table—Column 3B—item 1”.

110 Section 1190 (table item 32, column 2)

Omit “or PP (partnered)”.

111 Section 1190 (table item 32, column 4)

Omit “PP (Partnered) Rate Calculator—point 1068B-B3—Table B—Column 3A—item 2”, substitute “subsection 500Q(3)—Table—Column 3A—item 2”.

112 Section 1190 (table item 33, column 2)

Omit “or PP (partnered)”.

113 Section 1190 (table item 33, column 4)

Omit “PP (Partnered) Rate Calculator—point 1068B-B3—Table B—Column 3B—item 2”, substitute “subsection 500Q(3)—Table—Column 3B—item 2”.

114 Section 1190 (table item 47, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

115 Section 1190 (table item 49, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

116 Section 1190 (table item 49D, column 4)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

117 Section 1190 (table item 49K)

Repeal the item.

118 Section 1191 (table item 33B)

Repeal the item.

119 Subsection 1207(2) (table item relating to PP (Partnered) Rate Calculator, column 1)

Repeal the entry, substitute:

Benefit PP
(partnered)
Rate
Calculator
(section
1068B

120 Paragraph 1224E(1)(d)

Omit “PP (partnered)”, substitute “benefit PP (partnered)”.

121 Paragraph 1242(2)(d)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

122 Paragraph 1252(2)(d)

Omit “PP (Partnered) Rate Calculator”, substitute “Benefit PP (Partnered) Rate Calculator”.

Schedule 8—Consequential amendments of income tax law

Income Tax Assessment Act 1936

1 Sub-subparagraph 23AB(7)(a)(ii)(A)

Omit all the words after “taxpayer”, substitute “would be entitled under section 159K, apart from subsection 159K(1A);”.

2 After sub-subparagraph 23AB(7)(a)(ii)(A)

Insert:

(AA) any rebate to which the taxpayer would be entitled under section 159L, apart from subsection 159L(3A);

3 Sub-subparagraph 23AB(7)(a)(ii)(B)

Omit “2,”.

4 After sub-subparagraph 23AB(7)(a)(ii)(B)

Insert:

(BA) any rebate to which the taxpayer would be entitled under section 159J in respect of a dependant included in class 2 in the table in subsection 159J(2), apart from subsection 159J(1AA);

5 Sub-subparagraph 23AB(7)(a)(ii)(D)

After “made” (second occurring), insert “and subsection 159J(1AA) had not been enacted”.

6 At the end of subsection 23AB(7)

Add:

Note 1: Paragraph 23AB(7)(a) lets a taxpayer include the dependent spouse rebate (without child), the child-housekeeper rebate or the housekeeper rebate for the purpose of working out the amount of

rebate under this section, even if the taxpayer is eligible for family tax benefit for the whole or part of a year.

Note 2: Another effect of that paragraph (see sub-subparagraph (D)) is to let a taxpayer include the dependent spouse rebate (with child), despite its abolition by the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*, for the purpose of working out the rebate amount under this section.

7 Subsection 79A(4) (paragraph (a) of the definition of *relevant rebate amount*)

Omit all the words after “taxpayer”, substitute “would be entitled under section 159K, apart from subsection 159K(1A);”.

8 Subsection 79A(4) (after paragraph (a) of the definition of *relevant rebate amount*)

Insert:

(aa) any rebate to which the taxpayer would be entitled under section 159L, apart from subsection 159L(3A);

9 Subsection 79A(4) (paragraph (b) of the definition of *relevant rebate amount*)

Omit “2,”.

10 Subsection 79A(4) (after paragraph (b) of the definition of *relevant rebate amount*)

Insert:

(ba) any rebate to which the taxpayer would be entitled under section 159J in respect of a dependant included in class 2 in the table in subsection 159J(2), apart from subsection 159J(1AA);

11 Subsection 79A(4) (paragraph (d) of the definition of *relevant rebate amount*)

After “made” (second occurring), insert “and subsection 159J(1AA) had not been enacted”.

12 Subsection 79A(4) (at the end of the definition of *relevant rebate amount*)

Add:

Note 1: This definition lets a taxpayer include the dependent spouse rebate (without child), the child-housekeeper rebate or the housekeeper rebate for the purpose of working out the relevant rebate amount under this section, even if the taxpayer is eligible for family tax benefit for the whole or part of a year.

Note 2: Another effect of the definition (see paragraph (d)) is to let a taxpayer include the dependent spouse rebate (with child), despite its abolition by the *A New Tax System (Consequential and Related Measures) Act (No. 1) 1999*, for the purpose of working out the relevant rebate amount.

13 Subsection 79B(6) (paragraph (a) of the definition of concessional rebate amount)

Omit all the words after “taxpayer”, substitute “would be entitled under section 159K, apart from subsection 159K(1A);”.

14 Subsection 79B(6) (after paragraph (a) of the definition of concessional rebate amount)

Insert:

(aa) any rebate to which the taxpayer would be entitled under section 159L, apart from subsection 159L(3A);

15 Subsection 79B(6) (paragraph (b) of the definition of concessional rebate amount)

Omit “2.”.

16 Subsection 79B(6) (after paragraph (b) of the definition of concessional rebate amount)

Insert:

(ba) any rebate to which the taxpayer would be entitled under section 159J in respect of a dependant included in class 2 in the table in subsection 159J(2), apart from subsection 159J(1AA);

17 Subsection 79B(6) (paragraph (d) of the definition of concessional rebate amount)

After “made” (second occurring), insert “and subsection 159J(1AA) had not been enacted”.

18 Subsection 79B(6) (at the end of the definition of concessional rebate amount)

Add:

- Note 1: This definition lets a taxpayer include the dependent spouse rebate (without child), the child-housekeeper rebate or the housekeeper rebate for the purpose of working out the concessional rebate amount under this section, even if the taxpayer is eligible for family tax benefit for the whole or part of a year.
- Note 2: Another effect of this definition (see paragraph (d)) is to let a taxpayer include the dependent spouse rebate (with child), despite its abolition by the *A New Tax System (Family Assistance) (Consequential and Related Measures) Act (No. 1) 1999*, for the purpose of working out the concessional rebate amount.

19 Subsection 159HA(8)

Repeal the subsection.

20 After subsection 159J(1A)

Insert:

- (1AA) A taxpayer is not entitled in his or her assessment in respect of a year of income to a rebate under this section in respect of a dependant included in class 1 or 2 in the table in subsection (2), if during the whole of the year of income concerned, the taxpayer or the taxpayer's spouse was eligible for family tax benefit within the meaning of the *A New Tax System (Family Assistance) Act 1999*.

21 Subsection 159J(1C)

Repeal the subsection.

22 After paragraph 159J(3)(e)

Insert:

or (f) both:

- (i) the taxpayer is entitled to a rebate in respect of a dependant included in class 1 or 2 of the table in subsection (2); and
- (ii) the taxpayer or the taxpayer's spouse is eligible for family tax benefit within the meaning of the *A New Tax System (Family Assistance) Act 1999* during part (but not the whole) of the year of income;

23 Subsection 159J(5E)

Repeal the subsection.

24 Subsection 159K(1)

Insert:

- (1A) A taxpayer is not entitled to a rebate under this section in his or her assessment in respect of the 2000-2001 year of income or a later year of income.

25 After subsection 159L(3)

Insert:

- (3A) A housekeeper is taken not to have been wholly engaged in keeping house for a taxpayer during any part of the year of income in respect of which the taxpayer or the taxpayer's spouse is eligible for family tax benefit within the meaning of the *A New Tax System (Family Assistance) Act 1999*, unless throughout that part of the year of income, the taxpayer contributed to the maintenance of a dependant specified in paragraph (1)(c).

Income Tax Rates Act 1986

26 Division 5 of Part II

Repeal the Division.

Medicare Levy Act 1986

27 Paragraph 8(1)(b)

Repeal the paragraph, substitute:

- (b) would be entitled to a rebate under section 159J of the Assessment Act in respect of a person included in class 2 in the table in subsection 159J(2) of that Act, apart from subsection 159J(1AA) of that Act; or
- (c) would be entitled to a rebate under section 159K of that Act in respect of the year of income, apart from subsection 159K(1A) of that Act; or

(d) would be entitled to a rebate under subsection 159L of that Act, apart from subsection 159L(3A) of that Act;
in respect of the year of income;

28 Paragraph 8(2)(b)

Repeal the paragraph, substitute:

- (b) would be entitled to a rebate under section 159J of the Assessment Act in respect of a person included in class 2 in the table in subsection 159J(2) of that Act, apart from subsection 159J(1AA) of that Act; or
- (c) would be entitled to a rebate under section 159K of that Act in respect of the year of income, apart from subsection 159K(1A) of that Act; or
- (d) would be entitled to a rebate under subsection 159L of that Act, apart from subsection 159L(3A) of that Act;
in respect of the year of income;

29 Application

The amendments made by this Schedule apply to assessments in relation to the 2000-2001 year of income and later years of income.

Schedule 9—Fringe benefits and youth allowance

Social Security Act 1991

1 Subsection 10A(2)

Omit “Module F of the Youth Allowance Rate Calculator in section 1067G,”.

Note: The heading to section 10A is replaced by the heading “**Definitions for Seniors Health Card provisions**”.

2 Paragraph 1067G-F10(b)

Omit “value”, substitute “total”.

3 Point 1067G-F10 (notes 3 and 4)

Repeal the notes, substitute:

Note 3: For *adjusted fringe benefits total* see subpoint 1067G-F11(2).

Note 4: For *target foreign income* see subpoint 1067G-F11(3).

4 Subpoints 1067G-F11(2) and (3)

Repeal the subpoints, substitute:

1067G-F11(2) A parent’s *adjusted fringe benefits total* for a tax year is the amount worked out using the formula:

$$\text{Reportable fringe benefits total} \times \left(1 - \text{FBT rate} \right)$$

where:

FBT rate is the rate of tax set by the *Fringe Benefits Tax Act 1986* for the FBT year (as defined in the *Fringe Benefits Tax Assessment Act 1986*) beginning on the 1 April just before the start of the tax year.

reportable fringe benefits total is the amount that the Secretary is satisfied is the parent’s reportable fringe benefits total (as defined

in the *Fringe Benefits Tax Assessment Act 1986*) for the year of income that is the tax year.

1067G-F11(3) A parent's **target foreign income** for a tax year is the accepted estimate of the amount of the parent's foreign income (as defined in section 10A) for the tax year that is not:

- (a) taxable income; or
- (b) received in the form of a fringe benefit (as defined in the *Fringe Benefits Tax Assessment Act 1986*, as it applies of its own force or because of the *Fringe Benefits Tax (Application to the Commonwealth) Act 1986*) in relation to the parent as employee (as defined in the *Fringe Benefits Tax Assessment Act 1986*) and a year of tax.

5 Point 1067G-F13

After "income component" (first occurring), insert "or an amount described in subpoint 1067G-F11(3)".

6 Point 1067G-F13

After "income component" (second occurring), insert "or amount".

7 Point 1067G-F14

After "income component" (first occurring), insert "or an amount described in subpoint 1067G-F11(3)".

8 Point 1067G-F14

After "income component" (second occurring), insert "or amount".

9 Points 1067G-F16, 1067G-F17, 1067G-F18 and 1067G-F19

Repeal the points.

10 Part 3.12A (heading)

Repeal the heading, substitute:

Part 3.12A—Provisions for Seniors Health Card taxable income test

11 Subsection 1157A(1) (fourth sentence)

Repeal the sentence.

12 Subsection 1157A(1)

Omit “also”.

13 Subsection 1157A(1) (note 1)

Repeal the note.

14 Subsection 1157A(1) (note 2)

Re-number as note 1.

15 Subsection 1157A(1) (note 3)

Re-number as note 2.

16 Application

The amendments made by this Schedule apply for the purposes of working out the rate of youth allowance for a youth allowance payment period that ends after the commencement of this Schedule.