



Farm Household Support Amendment Act 2019

No. 60, 2019

**An Act to amend the *Farm Household Support Act
2014*, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

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An Act to amend the *Farm Household Support Act 2014*, and for related purposes

[Assented to 7 August 2019]

The Parliament of Australia enacts:

1 Short title

This Act is the *Farm Household Support Amendment Act 2019*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with

column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	8 August 2019

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendments

Farm Household Support Act 2014

1 Section 34

Repeal the section, substitute:

34 Farm assets value limit

Farm household allowance is not payable to a person if the value of the person's farm assets exceeds \$5 million.

2 Section 67

Repeal the section, substitute:

67 Allowable deductions from ordinary income

- (1) For the purpose of applying section 1072 of the Social Security Act in working out the rate of farm household allowance for a person, a person's ordinary income for a tax year is to be reduced in accordance with this section.
- (2) If:
 - (a) during a tax year the person incurs an amount that has been prescribed to be an allowable deduction under paragraph (5)(a); and
 - (b) at the time of incurring the amount, the person carries on a business that is wholly or partly a farm enterprise;the person's ordinary income for the tax year is to be reduced by so much of the amount as:
 - (c) relates to the farm enterprise; and
 - (d) does not exceed the income earned by the person from the farm enterprise.
- (3) In working out the rate of farm household allowance for a person, section 1075 of the Social Security Act does not apply to income earned by the person from a farm enterprise.
- (4) If:

- (a) during a tax year the person incurs an amount that would, under Division 1A of Part 3.10 of the Social Security Act, reduce the person's ordinary income from a business that is not wholly or partly a farm enterprise for the tax year; and
 - (b) the amount is not an amount covered by subsection (2);the person's ordinary income for the tax year is to be reduced by so much of the amount as does not exceed the income earned by the person from the business.
- (5) The Minister's rules may do any or all of the following:
 - (a) prescribe a kind of amount to be an allowable deduction for the purposes of paragraph (2)(a);
 - (b) prescribe circumstances in which subsection (2) does not apply;
 - (c) prescribe circumstances in which subsection (4) does not apply.
- (6) Without limiting paragraph (5)(a), the prescription of a kind of amount may include a maximum amount.
- (7) Subsection (6) does not limit the power to make Minister's rules for the purposes of subsection (5).

3 Section 95 (table items 3 and 5)

Repeal the items.

4 Transitional provision

- (1) This item applies in relation to a claim by a person for farm household allowance under the *Farm Household Support Act 2014* if:
 - (a) the claim is made on or after 1 July 2019 and before the commencement day (the **transitional period**); and
 - (b) farm household allowance was not payable to the person for a day in the transitional period (the **relevant day**) only because the value of the person's farm assets was greater than \$2.685 million; and
 - (c) the value of the person's farm assets on the relevant day did not exceed \$5 million.
- (2) Despite section 34 of the *Farm Household Support Act 2014*, as in force immediately before the commencement day, farm household allowance

is taken to be, and always to have been, payable to the person for the relevant day.

- (3) For the purposes of this item:
commencement day means the day this Schedule commences.

5 Application provision

The amendments of section 67 of the *Farm Household Support Act 2014* made by this Schedule apply in relation to the 2019-20 tax year and later tax years.

[*Minister's second reading speech made in—
House of Representatives on 4 July 2019
Senate on 30 July 2019*]

(115/19)
