

2010-2011-2012

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

**Social Security and Other Legislation  
Amendment (Income Support Bonus)  
Bill 2012**

**No.     , 2012**

*(Education, Employment and Workplace Relations)*

**A Bill for an Act to amend the law relating to social  
security, farm household support and taxation, and  
for related purposes**



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1     **A Bill for an Act to amend the law relating to social**  
2     **security, farm household support and taxation, and**  
3     **for related purposes**

4     The Parliament of Australia enacts:

5     **1 Short title**

6                     This Act may be cited as the *Social Security and Other Legislation*  
7                     *Amendment (Income Support Bonus) Act 2012*.

8     **2 Commencement**

9                     This Act commences on the day this Act receives the Royal  
10                     Assent.

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### **3 Schedule(s)**

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

1 **Schedule 1—Amendments**

2 **Part 1—Main amendments**

3 *Social Security Act 1991*

4 **1 Subsection 23(1)**

5 Insert:

6 *income support bonus* means income support bonus under  
7 section 919.

8 **2 Subsection 23(1)**

9 Insert:

10 *income support bonus test day* has the meaning given by  
11 section 919.

12 **3 After paragraph 23(4AA)(ab)**

13 Insert:

14 (ac) paragraph 919(1)(a);

15 **4 After Part 2.18A**

16 Insert:

17 **Part 2.18B—Income support bonus**  
18

19 **919 Qualification for an income support bonus**

20 *Qualification—social security payments*

21 (1) A person is qualified for an income support bonus on an income  
22 support bonus test day if:

23 (a) the person is receiving one of the following payments in  
24 respect of that day:

25 (i) newstart allowance;

26 (ii) youth allowance;

27 (iii) parenting payment;

**Schedule 1** Amendments  
**Part 1** Main amendments

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- 1 (iv) sickness allowance;  
2 (v) austudy payment;  
3 (vi) special benefit; and  
4 (b) if the person is receiving parenting payment, austudy  
5 payment or special benefit in respect of that day—the person  
6 is under pension age on that day.

7 Note: For *pension age* see section 23.

8 *Qualification—ABSTUDY payment and farm payments*

- 9 (2) A person is qualified for an income support bonus on an income  
10 support bonus test day if:  
11 (a) one of the following payments is payable to the person in  
12 respect of a period that includes that day:  
13 (i) a payment under the ABSTUDY Scheme that includes  
14 an amount identified as living allowance;  
15 (ii) exceptional circumstances relief payment under the  
16 *Farm Household Support Act 1992*;  
17 (iii) transitional farm family payment under the program  
18 administered by the Commonwealth known as the  
19 Transitional Farm Family Payment program; and  
20 (b) if a payment under the ABSTUDY Scheme that includes an  
21 amount identified as living allowance is payable to the person  
22 in respect of a period that includes that day—the person is  
23 under pension age on that day.

24 Note: For *pension age* see section 23.

25 *One income support bonus only in respect of an income support*  
26 *bonus test day*

- 27 (3) A person cannot receive more than one income support bonus  
28 under this section in respect of an income support bonus test day,  
29 regardless of how many times the person qualifies under this  
30 section on that day.

31 *Definition*

- 32 (4) In this Act:

33 *income support bonus test day* means:

- 34 (a) 20 March 2013; and
-



- 1 (b) 20 September 2013; and  
2 (c) each later 20 March; and  
3 (d) each later 20 September.

4 **920 Amount of income support bonus**

5 The amount of a person's income support bonus under section 919  
6 is the amount, specified in column 2 of an item in the following  
7 table, that corresponds to the person's family situation, specified in  
8 column 1 of that item, on the income support bonus test day:

9

<b>Amount of income support bonus</b>		
<b>Item</b>	<b>Column 1 Person's family situation</b>	<b>Column 2 Amount</b>
1	Not a member of a couple	\$105
2	Member of a couple, not covered by item 3, 4 or 5	\$87.50
3	Member of illness separated couple	\$105
4	Member of respite care couple	\$105
5	Partnered (partner in gaol)	\$105

10 Note 1: For *member of a couple, illness separated couple, respite care couple*  
11 and *partnered (partner in gaol)* see section 4.

12 Note 2: The amounts specified are indexed twice a year in line with CPI  
13 increases (see sections 1190 to 1194).

14 **921 Non-receipt of social security payment**

- 15 (1) This section applies for the purposes of a provision of this or  
16 another Act if:  
17 (a) the provision provides a benefit (whether the benefit is a  
18 pension, benefit, payment, supplement or any other sort of  
19 benefit) if a person meets specified criteria; and  
20 (b) one of the specified criteria is that the person is receiving a  
21 social security payment, or is a recipient of a social security  
22 payment.
- 23 (2) For the purposes of the provision, a person is not taken to be  
24 receiving a social security payment, or to be a recipient of a social

**Schedule 1** Amendments  
**Part 1** Main amendments

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1 security payment, merely because the person receives an income  
2 support bonus.

3 **5 Section 1190 (at the end of the table)**

4 Add:

5

**Income support  
bonus**

71.	income support bonus	income support bonus	section 920—table—items 1, 2, 3, 4 and 5
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6 **6 Subsection 1191(1) (at the end of the table)**

7 Add:

8

**Income  
support  
bonus**

43.	income support bonus	(a) 20 March (b) 20 September	(a) December (b) June	highest June or December quarter before reference quarter (but not earlier than December quarter 2012)	\$0.10
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9 **7 At the end of section 1192**

10 Add:

11 (10) The first indexation of amounts under item 43 of the CPI  
12 Indexation Table in subsection 1191(1) is to take place on  
13 20 September 2013.

14 ***Social Security (Administration) Act 1999***

15 **8 After section 12K**

16 Insert:

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1 **12L Income support bonus**

2 A claim is not required for an income support bonus.

3 **9 Subsection 47(1) (at the end of the definition of *lump sum***  
4 ***benefit*)**

5 Add:

6 ; or (m) income support bonus.

7 **10 After section 47DAA**

8 Insert:

9 **47DAB Payment of income support bonus**

10 If a person is qualified for an income support bonus on an income  
11 support bonus test day, the Secretary must pay the bonus to the  
12 person in a single lump sum:

13 (a) on the day that the Secretary considers to be the earliest day  
14 on which it is reasonably practicable for the bonus to be paid;  
15 and

16 (b) in such manner as the Secretary considers appropriate.  
17

1 **Part 2—Consequential amendments**

2 ***Farm Household Support Act 1992***

3 **11 After subsection 24A(8)**

4 Insert:

5 *Income support bonus disregarded*

6 (8A) To avoid doubt, in calculating a rate referred to in subsection (1),  
7 any income support bonus under the *Social Security Act 1991* is to  
8 be disregarded.

9 **12 After subsection 24AA(10)**

10 Insert:

11 *Income support bonus disregarded*

12 (10A) To avoid doubt, in calculating a rate referred to in subsection (1),  
13 any income support bonus under the *Social Security Act 1991* is to  
14 be disregarded.

15 **13 At the end of section 24B**

16 Add:

17 (6) To avoid doubt, in calculating a rate referred to in this section, any  
18 income support bonus under the *Social Security Act 1991* is to be  
19 disregarded.

20 ***Income Tax Assessment Act 1997***

21 **14 Section 11-15 (table item headed “social security or like  
22 payments”)**

23 After:

*Household Stimulus Package Act (No. 2) 2009,*  
payments under the scheme determined under  
Schedule 4 to the ..... 52-165

24 insert:

income support bonus under the *Social Security Act*  
*1991* ..... 52-10

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income support bonus under the scheme prepared under  
Part VII of the *Veterans' Entitlements Act 1986*..... 52-65  
income support bonus under the scheme determined  
under section 258 of the *Military Rehabilitation and  
Compensation Act 2004* ..... 52-114

1 **15 At the end of subsection 52-10(1) (before the note)**

2 Add:  
3 ; or (zc) income support bonus under the *Social Security Act 1991*.

4 **16 Before subsection 52-10(2)**

5 Insert:  
6 (1M) Income support bonus under the *Social Security Act 1991* is  
7 exempt from income tax.

8 **17 After paragraph 52-65(1)(b)**

9 Insert:  
10 (c) payments of income support bonus under the scheme  
11 prepared under Part VII (about educating veterans' children)  
12 of the *Veterans' Entitlements Act 1986*; or

13 **18 Before subsection 52-65(2)**

14 Insert:  
15 (1K) Payments of income support bonus under the scheme prepared  
16 under Part VII (about educating veterans' children) of the  
17 *Veterans' Entitlements Act 1986* are exempt from income tax.

18 **19 Section 52-75 (after table item 5C)**

19 Insert:  
20 5D Income support bonus under Part VII Not applicable  
Veterans' Children Education  
Scheme

20 **20 Section 52-114 (before table item 17)**

21 Insert:  
22 16A Income support bonus Exempt Not applicable  
under the education  
scheme for certain

eligible young persons  
(section 258)

1 ***Social Security Act 1991***

2 **21 Paragraph 1231(1AA)(b)**

3 Omit “or farmers hardship bonus”, substitute “, farmers hardship bonus  
4 or income support bonus”.

5 ***Social Security (Administration) Act 1999***

6 **22 Section 123TC (after paragraph (e) of the definition of**  
7 ***category I welfare payment*)**

8 Insert:

9 (f) income support bonus; or

10 **23 Section 123TC (after paragraph (a) of the definition of**  
11 ***category Q welfare payment*)**

12 Insert:

13 (aa) income support bonus; or