



# **Farm Household Support (Non-farm Assets) Minister's Rule 2016**

made under section 92 of the

*Farm Household Support Act 2014*

## **Compilation No. 2**

**Compilation date:** 5 April 2017

**Includes amendments up to:** F2017L00379

Prepared by AGS, Canberra

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## About this compilation

### This compilation

This is a compilation of the *Farm Household Support (Non-farm Assets) Minister's Rule 2016* that shows the text of the law as amended and in force on 5 April 2017 (the **compilation date**).

The notes at the end of this compilation (the **endnotes**) include information about amending laws and the amendment history of provisions of the compiled law.

### Uncommenced amendments

The effect of uncommenced amendments is not shown in the text of the compiled law. Any uncommenced amendments affecting the law are accessible on the Legislation Register ([www.legislation.gov.au](http://www.legislation.gov.au)). The details of amendments made up to, but not commenced at, the compilation date are underlined in the endnotes. For more information on any uncommenced amendments, see the series page on the Legislation Register for the compiled law.

### Application, saving and transitional provisions for provisions and amendments

If the operation of a provision or amendment of the compiled law is affected by an application, saving or transitional provision that is not included in this compilation, details are included in the endnotes.

### Editorial changes

For more information about any editorial changes made in this compilation, see the endnotes.

### Modifications

If the compiled law is modified by another law, the compiled law operates as modified but the modification does not amend the text of the law. Accordingly, this compilation does not show the text of the compiled law as modified. For more information on any modifications, see the series page on the Legislation Register for the compiled law.

### Self-repealing provisions

If a provision of the compiled law has been repealed in accordance with a provision of the law, details are included in the endnotes.

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## 1 Name of rule

This rule is the *Farm Household Support (Non-farm Assets) Minister's Rule 2016*.

## 3 Authority

This rule is made under the *Farm Household Support Act 2014* (the FHS Act).

## 4 Modification of Part 3.12 of the *Social Security Act*

Division 1 of Part 3.12 of the *Social Security Act 1991*, as modified by section 95 of the FHS Act, has effect for the purposes set out in section 91 of the FHS Act as if the following section were inserted after section 1118AC:

### 1118FHS Farm-related assets

#### *Application*

- (1AA) This section applies in relation to a claim for farm household allowance that was made before the commencement of item 5 of Schedule 2 to the *Farm Household Support Amendment Act 2017*.

#### *Interpretation*

- (1AB) For subparagraph (1)(a)(i) and paragraph (2)(a), a reference to the *Farm Household Support Act 2014* is a reference to that Act, disregarding the amendments made by Schedule 2 to the *Farm Household Support Amendment Act 2017*.

#### *Calculation of value of person's non-farm assets*

- (1) In calculating the value of a person's non-farm assets:
- (a) disregard the value of any asset held by the person which:
    - (i) is not an asset of a kind described in paragraph 35(1)(a), (b) or (c) of the *Farm Household Support Act 2014*; and
    - (ii) is held for the purpose of the carrying out of a farm enterprise (within the meaning of the *Farm Household Support Act 2014*) by the person or the person's partner and is not held, or capable of being held, for any purpose other than the carrying out of a farm enterprise; and
    - (iii) is neither cash nor an amount deposited with, or lent to, a bank or financial institution; and

Example: A milk producer holds shares in a company to which they supply milk. That company is a co-operative: to supply milk to the company, the producer must own shares in the company, and no other persons are able to hold shares in the company. In this case the asset is held by the producer solely for the purposes of carrying out a farm enterprise and is not capable of being held for any other purpose.

- (b) apply subsections (3) to (6).

*Water entitlements*

- (2) For subsections (3) to (6), a ***water entitlement asset*** is an asset which:
- (a) is not an asset of a kind described in paragraph 35(1)(a), (b) or (c) of the *Farm Household Support Act 2014*; and
  - (b) is a right or entitlement to water or to its holding, access, take or other use, including:
    - (i) a water access entitlement, being a perpetual or ongoing entitlement, by or under a law of a State or Territory, to exclusive access to a share of the water resources of an area in the State or Territory; or
    - (ii) a water allocation, being a specific volume of water allocated to a water access entitlement in a given period; or
    - (iii) an irrigation right within the meaning of the *Water Act 2007*; or
    - (iv) a water delivery right within the meaning of the *Water Act 2007*; and
  - (c) is held by the person wholly or mainly for the purpose of the carrying out of a farm enterprise (within the meaning of the *Farm Household Support Act 2014*) by the person or the person's partner.
- (3) If the person is not a member of a couple and the total value of the water entitlement assets held by the person does not exceed \$1,100,000, each of those assets is to be disregarded.
- (4) If the person is not a member of a couple and the total value of the water entitlement assets held by the person (the ***non-partnered water assets total***) exceeds \$1,100,000:
- (a) the person is taken to hold one water entitlement asset; and
  - (b) the value of that asset is taken to be the amount by which the non-partnered water assets total exceeds \$1,100,000.
- (5) If the person is a member of a couple and the total value of the water entitlement assets held by the person or the person's partner does not exceed \$1,100,000, each of those assets is to be disregarded.
- (6) If the person is a member of a couple and the total value of the water entitlement assets held by the person or the person's partner (the ***partnered water assets total***) exceeds \$1,100,000:
- (a) the person and the person's partner are taken to hold jointly one water entitlement asset; and
  - (b) the value of that asset is taken to be the amount by which the partnered water assets total exceeds \$1,100,000.

*Charges and encumbrances*

- (7) For the purposes of section 1121, an asset to which paragraph (1)(a) refers is to be treated as an asset to be disregarded (and an asset whose value is to be disregarded) under section 1118.
- (8) To avoid doubt, section 1121 applies to a water entitlement asset when calculating the value of the water entitlement asset for the purposes of subsection

(3) or (5), a non-partnered water assets total for the purposes of subsection (4) or a partnered water assets total for the purposes of subsection (6).

- (9) Section 1121 does not apply in relation to an asset which paragraph (4)(a) or (6)(a) deems to be held.

## Endnotes

### Endnote 1—About the endnotes

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## Endnotes

### Endnote 1—About the endnotes

The endnotes provide information about this compilation and the compiled law.

The following endnotes are included in every compilation:

Endnote 1—About the endnotes

Endnote 2—Abbreviation key

Endnote 3—Legislation history

Endnote 4—Amendment history

### Abbreviation key—Endnote 2

The abbreviation key sets out abbreviations that may be used in the endnotes.

### Legislation history and amendment history—Endnotes 3 and 4

Amending laws are annotated in the legislation history and amendment history.

The legislation history in endnote 3 provides information about each law that has amended (or will amend) the compiled law. The information includes commencement details for amending laws and details of any application, saving or transitional provisions that are not included in this compilation.

The amendment history in endnote 4 provides information about amendments at the provision (generally section or equivalent) level. It also includes information about any provision of the compiled law that has been repealed in accordance with a provision of the law.

### Editorial changes

The *Legislation Act 2003* authorises First Parliamentary Counsel to make editorial and presentational changes to a compiled law in preparing a compilation of the law for registration. The changes must not change the effect of the law. Editorial changes take effect from the compilation registration date.

If the compilation includes editorial changes, the endnotes include a brief outline of the changes in general terms. Full details of any changes can be obtained from the Office of Parliamentary Counsel.

### Misdescribed amendments

A misdescribed amendment is an amendment that does not accurately describe the amendment to be made. If, despite the misdescription, the amendment can be given effect as intended, the amendment is incorporated into the compiled law and the abbreviation “(md)” added to the details of the amendment included in the amendment history.

If a misdescribed amendment cannot be given effect as intended, the abbreviation “(md not incorp)” is added to the details of the amendment included in the amendment history.

**Endnote 2—Abbreviation key**

ad = added or inserted	o = order(s)
am = amended	Ord = Ordinance
amdt = amendment	orig = original
c = clause(s)	par = paragraph(s)/subparagraph(s) /sub-subparagraph(s)
C[x] = Compilation No. x	pres = present
Ch = Chapter(s)	prev = previous
def = definition(s)	(prev...) = previously
Dict = Dictionary	Pt = Part(s)
disallowed = disallowed by Parliament	r = regulation(s)/rule(s)
Div = Division(s)	reloc = relocated
ed = editorial change	renum = renumbered
exp = expires/expired or ceases/ceased to have effect	rep = repealed
F = Federal Register of Legislation	rs = repealed and substituted
gaz = gazette	s = section(s)/subsection(s)
LA = <i>Legislation Act 2003</i>	Sch = Schedule(s)
LIA = <i>Legislative Instruments Act 2003</i>	Sdiv = Subdivision(s)
(md) = misdescribed amendment can be given effect	SLI = Select Legislative Instrument
(md not incorp) = misdescribed amendment cannot be given effect	SR = Statutory Rules
mod = modified/modification	Sub-Ch = Sub-Chapter(s)
No. = Number(s)	SubPt = Subpart(s)
	<u>underlining</u> = whole or part not commenced or to be commenced

## Endnotes

### Endnote 3—Legislation history

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#### Endnote 3—Legislation history

Name	Registration	Commencement	Application, saving and transitional provisions
Farm Household Support (Non-farm Assets) Minister's Rule 2016	5 May 2016 (F2016L00671)	6 May 2016 (s 2)	
Farm Household Support (Non-farm Assets) Amendment Rule 2016	16 Dec 2016 (F2016L01975)	17 Dec 2016 (s 2)	—
Farm Household Support (Non-farm Assets) Amendment Rule 2017	31 March 2017 (F2017L00379)	5 April 2017 (s 2)	—

## Endnote 4—Amendment history

**Endnote 4—Amendment history**

<b>Provision affected</b>	<b>How affected</b>
s 2.....	rep LA s 48D
s 4.....	rs F2016L01975; am F2017L00379