

**JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT**

**Review of Auditor-General's reports Nos 1-20 (2006-07)**

**WEDNESDAY, 28 FEBRUARY 2007  
CANBERRA**

**Australian Taxation Office**

**Topic: Family Day Care**

**Hansard page PAA 11-12**

**Mrs Bishop asked:**

**Mrs BRONWYN BISHOP**—What happens with that percentage of family day care that is covered as approved care and therefore eligible for the CCTR? Are you really requiring a mother who has five children in her home to remit the same information to you?

**Mr Walker**—We are not asking them to give us any information for this year. We believe will have all the information coming from the childcare provider.

**Mrs BRONWYN BISHOP**—But that is what I am saying: in family day care, the provider is not an institution; it is an individual.

**Mr Walker**—I assume we are talking about family day care in approved care?

**Mrs BRONWYN BISHOP**—Some family day care is approved. Not all of it—just some of it.

**Mr Walker**—That is true.

**Mrs BRONWYN BISHOP**—So what you are talking about is institutionalised care?

**Mr Walker**—I am talking about the family day care that is approved by FaCSIA for approved care. That is the information we get.

**Mrs BRONWYN BISHOP**—No, my question to you was: if you are covering family day care, it is not an institution, it is a person.

**CHAIR**—Bronwyn, I understand where you are heading. I am very mindful, though, that we still need to be covering this audit report on family tax benefit parts A and B, so we should move on.

**Mrs BRONWYN BISHOP**—But it is all tied together.

**CHAIR**—.....?

**Mrs BRONWYN BISHOP**—Chair, before you do that, may I ask if Mr Walker would mind providing that information that I have asked for in writing.

**CHAIR**—Can you do that, Mr Walker?

**Mr Walker**—Yes, no problem.

**Response**

The 30% child care tax rebate is calculated using the total fees and child care benefit (CCB) paid for approved child care. In order for the CCB to be determined the child care service providers, including those who provide family day care, report on a variety of information, to the Family Assistance Office (FAO) including information required to assist the Tax Office to calculate the 30% childcare tax rebate,

Once the CCB has been determined, the FAO passes the information required to administer the 30% child care tax rebate to the Tax Office, thus removing the need for providers of family day care to provide the Tax Office with any information.