

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2017-18 Budget Estimates Hearings

Outcome Number: 1.1 Family Tax Benefit

Question No: SQ17-000339

Topic: FTB

Hansard page: 117

Senator Louise Pratt, asked:

Is it correct to say that a family with two children over 13 years of age and income of \$105,000 would be \$1,700 worse off on 1 July 2018 as a result of this measure?

Answer:

The calculation below includes the effect of:

- the 2017-18 Budget measure, *Consistent Income Treatment for Families Receiving Family Tax Benefit Part A*;
- Family Tax Benefit payment rate pauses relating to the *Social Security Legislation Amendment Act 2017* (maintain Family Tax Benefit rates at current levels for two years from 1 July 2017), and
- the *Budget Savings (Omnibus) Act 2016* (maintain the Family Tax Benefit Part A higher income free area at current levels for three years from 1 July 2017).

A family with an adjusted taxable income of \$105,000 and with two children aged over 13 years will experience a reduction of \$703 in 2018-19 as a result of the measures above compared to what they would have received in 2016-17, assuming their income does not change.