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: SQ17-000341

Topic: FTB

Hansard page: 118

Senator Louise Pratt asked:

And a family with two children in primary school and one in high school and an income of \$110,000 would be around \$4,000 worse off as a result of this change.

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 \$110,000 and with two children aged under 13 years and one child aged 13 to 15 years will experience a reduction of \$1,203 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.