

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2011-12 Budget Estimates Hearings

Outcome Number: 1

Question No: 11

Topic: Indexation Pause

Hansard Page: 2 June 2011, CA 13

Senator Boyce asked:

What is the cost to those families (assuming two children) with incomes between:

- i) \$100,000 to \$110,000;
- ii) \$110,000 to \$120,000;
- iii) \$120,000 to \$130,000; and
- iv) \$130,000 to \$140,000

as a result of the freezing on the indexation of the family tax benefit supplements?

Answer:

The estimated 2011-12 impact of the measure to pause indexation of the Family Tax Benefit supplements for three years from 1 July 2011 on a single income couple or sole parent, with two children aged under 16 and not eligible for rent assistance, would be as follows in 2011-12.:

Table: Single income couple or sole parent, two children aged under 16, not eligible for rent assistance			
Income of primary earner or sole parent	FTB Part A increase forgone *	FTB Part B reduction	Total FTB reduction #
\$100,000	-\$37	-\$11	-\$47
\$110,000	-\$37	-\$11	-\$47
\$120,000	*	-\$11	-\$11
\$130,000	*	-\$11	-\$11
\$140,000	*	-\$11	-\$11

* In the above scenario, for income of \$120,000 or above, FTB Part A is not payable with or without pausing indexation of the Family Tax Benefit supplements. # Totals may not add up to the sum of individual rows due to rounding.

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