

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 29, 30 & 31 May 2007

Question: BET 10 (ATO)
Topic: Child Care Tax Rebate
Hansard Page: Written

Senator **SHERRY** asked:

1. Please provide answers to the following questions for the financial years 2003-04, 2004-05 and 2005-06:
 - a) How many families were estimated to be eligible for the 30% child care tax rebate for each financial year listed above?
 - b) How many families have received the child care tax rebate for each financial year listed above?
 - c) What was the average rebate paid per family for each financial year listed above?
 - d) What was the average rebate paid per child for each financial year listed above?
2. Finally, how many families in total and extra are expected to receive the rebate once it is converted into a welfare payment?

Answer:

Note: The 30% child care tax rebate can be claimed for child care expenses incurred from 1 July 2004. The 30% child care rebate for expenses incurred in 2005-06 is claimable from 1 July 2007 in the 2006-07 tax returns. As at 18 June 2007, no claims have been allowed for the 2005-06 expenses.

1a. Estimated eligibility

Child care expenses incurred during	Estimated number of eligible parents
2003-04	Nil
2004-05	640,000
2005-06	540,000 (this is the number currently eligible – there is potential for further additions as parents claim childcare benefit)

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1b. Actual number of claims received to 18 June 2007

Child care expenses incurred during	Actual number of claims received
2003-04	Nil
2004-05	404,871
2005-06	Nil

1c. Average rebate paid per claim to 18 June 2007

Child care expenses incurred during	Average rebate paid per claim
2003-04	Nil
2004-05	\$697.12
2005-06	Nil

1d. Average claimable* per child to 28 May 2007

Child care expenses incurred during	Average rebate paid per child
2003-04	Nil
2004-05	\$414
2005-06	Nil

* Average claim per child is not collected. The average claimable per child is the amount that was available subject to the parent having enough tax liability to offset the rebate against.

2. This information is not available from the Tax Office as the Child Care Rebate is being administered by the Department of Families and Community Services and Indigenous Affairs for expenses incurred in the 2006-07 financial year.