

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Budget Estimates 25 May 2005

Question: HS94

Outcome 1, Output 1

Topic: Family tax benefit debts

Hansard Page/Written Question on Notice:

Senator Evans asked on 25 May 2005:

1. Can we find out, for the last three financial years (2002-03, 2003-04 and 2004-05) the number and value of family tax benefit debts that have been waived under the provisions of the Act relating to administrative error and severe financial hardship?
2. How does this compare to the total number/value of FTB debts?
3. In relation to the \$600 per child supplement, if, as a result of a debt a customer receives nothing or less than the full entitlement, are these customers informed of their rights to appeal the raising of the debt? If not, why not?
4. Could we be provided with a copy the advice that goes to customers about this matter?
5. Please provide a summary table showing the number of reviews/appeals of these cases, and whether these appeals were upheld/rejected by (a) AROs, (b) SSAT, and (c) AAT?

Answer:

1. No, this information relates to policy matters and should be requested from the Department of Family and Community Services.
2. As above, this information relates to policy matters and should be requested from the Department of Family and Community Services.
3. Yes, customers are advised of their rights to appeal the raising of the debt.
4. A sample of the letter is at attachment A.
5. Information about the number of reviews/appeals of these cases is not available as appeals are recorded at a more general level.

Reference: 123 456 789A



Customer Name
Address line 1
Address line 2

Australian Government
Family Assistance Office

22 August 2005

Account Payable – Family Tax Benefit 2004-05

Dear Customer

You were paid Family Tax Benefit during the 2004-05 financial year based on your estimated family income. We have now checked your entitlement using your actual family income.

Your family income for the 2004-05 financial year was \$XX,XXX. Based on this income and your family circumstances during that year, you received more Family Tax Benefit than you were entitled to.

Information about your family's assessment for 2004-05

Family Tax Benefit you have already received		\$XX,XXX.XX
Total Family Tax Benefit you are entitled to		\$XX,XXX.XX
This includes:		
Standard Family Tax Benefit	\$XX,XXX.XX	
Family Tax Benefit Part A Supplement	\$X,XXX.XX	
Family Tax Benefit Part B Supplement	\$XXX.XX	
Excess amount		\$XXX.XX
Adjustments made		
Less payment from your Tax Refund		-\$XXX.XX
Total Overpayment		\$XXX.XX
AMOUNT PAYABLE (amount you owe the Australian Government)		\$XXX.XX
Due date (The back of this letter details available repayment options)		XX XXXX 2005

Please read the back of this letter



If you have any questions about this letter please ring: 13 6150



Callcentre Hours:
Monday – Friday 8.00 am – 8.00 pm

Payment Slip

Customer name
Customer reference number



Post this payment slip with your cheque or money order made out to the "Collector of Public Money, Centrelink" to the address at the top of this letter.



POST
billpay

To arrange automatic deductions from your financial institution account, call 1800 019239.

Use Postbillpay to pay by phone on 13 18 16 or on the internet at postbillpay.com.au

Billpay code: 0902
Ref: 123 456 789 06

Pay in person at any Australian post office outlet.

▶ IMPORTANT INFORMATION

- Your Family Tax Benefit includes a Part A and Part B Supplement amount of \$X,XXX.XX. This is included in your entitlement after the end of the financial year, when your payments are checked. The Supplement amount may be used to reduce overpayments received during the financial year.
- You can check the amount you owe, your current repayment arrangements and other Family Assistance information at www.familyassist.gov.au or by contacting us.

Payment Options for the amount you owe

- Centrelink manages Family Assistance Office repayments.
- **Paying in full by the due date:** To pay the "Amount Payable" in full by the due date, please use the payment slip at the bottom of this letter to make your payment by phone, internet, mail or in person at any post office outlet.
- **If you cannot pay the "Amount Payable" in full by the due date:** Centrelink will make fortnightly deductions from your Family Tax Benefit. Deductions will start automatically from the first payment of Family Tax Benefit made to you after the due date.
- Centrelink may contact you to talk about whether you are able to repay the amount owing more quickly. If you ever need to change the amount being deducted from your payments (for example you want to repay the amount owing more quickly or the automatic rate of deductions is too high for you), please contact Centrelink on 13 6150.
- If you have an overpayment owing to Centrelink on the first day of any Family Tax Benefit advance period, you will not be eligible for an advance of Family Tax Benefit for the whole of that period.

Your reference number is 123 456 789A

Decisions about the payment of Family Tax Benefit are made under family assistance law.

Appeals Process

If you do not agree with this decision, please contact the Family Assistance Office on 13 6150. We will reconsider your case and change the decision if appropriate. If you still do not agree, you can ask for an Authorised Review Officer to look at it. The Authorised Review Officer is an experienced officer who would not have previously been involved in your case. They can change the decision if it's wrong or, if they agree with the decision they can tell you how to appeal to the Social Security Appeals Tribunal. Both the Authorised Review Officer review and the Social Security Appeals Tribunal appeal are free.

Privacy

If you have concerns about your personal information call 13 6150 or visit your nearest Family Assistance Office. If you are still not satisfied, you can contact the Privacy Commissioner on the 1300 number listed in your phone book. Personal information is treated as protected and can only be released to someone else in special circumstances, where the law requires, or where you give permission.

Customer Relations

If you wish to comment on the quality of service you received from us you can talk to our Customer Relations staff on Freecall 1800 050 004. If you have contacted our Customer Relations staff with a concern and they have not been able to resolve it to your satisfaction, you can take the matter further by contacting the Commonwealth Ombudsman's Office on 1300 362 072 (which is a toll free number). If you have a hearing or speech difficulty you can contact the Customer Relations unit using a Tele-Typewriter (TTY) phone on 1800 000 567.

IMPORTANT PAYMENT INFORMATION

Australian Government Assistance for families - Family Tax Benefit Part A is the most common payment to help families with the cost of raising children and is paid per child. Family Tax Benefit Part B gives extra assistance to single parent families and to families with one main income, where one parent chooses to stay at home or to balance some paid work with caring for their children.



Australian Government
Family Assistance Office

Balancing your payment

Your Family Tax Benefit is checked at the end of the financial year to make sure you get the correct amount. This process takes into account the whole year's actual income. If you overestimate your income you may receive less than your full entitlement, and you may receive a 'top up' payment. If you underestimate your income, you may have been paid too much, and you will be asked to repay excess amounts after the end of the financial year. Overpayments can be recovered from Tax refunds and/or from your future payments (including Supplement Payments).

Reducing the risk of an overpayment

It is extremely important to make sure your estimate of your annual income is as accurate as possible. Fortnightly payments are worked out on **your estimate of your annual family income**, so it is possible that you may be paid too much throughout the financial year. One way to deal with this is to take some of your payments fortnightly and the rest after the end of the financial year, when your payments will be balanced against **your actual annual family income**.

You can also choose to adjust your future payment whenever your income estimate or family circumstances change. The Family Assistance Office can help you with this.

Make sure your estimate is right

It is extremely important to make sure your estimate of your annual income is as accurate as possible. If your income has changed, you may be entitled to more assistance, or you may be receiving too much.

Important note: If your salary or wage is paid weekly or fortnightly, the number of individual paydays in a financial year can vary. You need to be aware of this when you estimate your income to avoid being overpaid. If you are unsure you should check the actual number of paydays for the financial year with your employer.

If you are unsure if a change will affect your payments — **ACT EARLY**. Call the Family Assistance Office on 13 6150.

Online Services

There is now an easier way to update your income estimate. If you get Family Tax Benefit or Child Care Benefit, you can now update your income estimate online through the Family Assistance Office website.

Registration for Online Services is easy and only takes a few minutes. Register by clicking the Online Services tab at www.familyassist.gov.au. When you register, you will be given a Customer Access Number and asked to choose a password. Once online, you can:

- update your income estimate and see how it affects your payments
- see your current and previous income estimates
- ask for an advance payment of your Family Tax Benefit, and
- see your current Family Tax Benefit advance details

Where do I go for more information?

For more information please visit www.familyassist.gov.au, or visit your nearest Family Assistance Office located in all Medicare offices, Centrelink Service Centres and Tax Office shopfronts, or call 13 6150.

Languages other than English

For more information in languages other than English, call 13 1202 between 8am and 5pm Monday to Friday. Note: Calls to 13 numbers are local call cost and 1800 numbers are free. Calls made from mobiles are charged mobile phone rates.