

## Family Tax Benefit (FTB)

### **Q: What is FTB?**

FTB has two parts, Part A and Part B. Part A is designed to help with the cost of raising children. Part B is designed to give extra help to families with one main income, including single parent families. You may be eligible for Part A or Part B, or both.

Part A is paid for each dependent child you care for where the dependent child is aged under 21 years and for those dependent children aged 21 years to 24 years who are studying full time.

Part B is a family payment, and can be paid until the youngest child turns 16 years or until the end of the calendar year in which the youngest child turns 18 years – provided the child is studying full time and is not receiving a social security payment such as youth allowance or a prescribed educational scheme allowance such as ABSTUDY.

### **Q: How much tax benefit do I get?**

As at 1 July 2007, the maximum payment per year is as follows:

FTB Part A: \$5,573.55 - Maximum rate is paid up to a family income of \$41,318 and is reduced by 20 cents for every extra dollar of income.

FTB Part B: \$3,259.4 – Subject to the following Income Test:

- Sole parents - no income test.
- Couples:
  - primary earner's income not taken into account;
  - secondary earner's income is taken into account. If income is above \$4 380 in 2007-08, payments are reduced by 20 cents for every extra dollar of income.
  - Parents will receive some FTB Part B if the secondary earner's income is below:
    - \$22,302 in 2007-08 if the youngest child is under 5 years of age or
    - \$17,356 in 2007-08 if the youngest child is between 5 and 18 years of age

### **Q: What are the criteria to be eligible for FTB Claim?**

- You must have provided care to a dependent child.
- If you shared the care of the dependent child with another person who is not your current spouse, you must have cared for the child for a minimum of 10% of the assessment period.
- You must have satisfied the residency requirements for family assistance purposes.

### **Q: How to claim FTB?**

To claim your FTB through the Family Assistance Office – either as a lump sum or in fortnightly payments – you will need to complete an FAO claim. Please visit the FAO website at [www.familyassist.gov.au](http://www.familyassist.gov.au) or phone 13 61 50.

To claim your FTB as a lump sum through the Tax Office, you will need to complete the *FTB tax claim form* and lodge it together with your individual tax return, you need to lodge your claim within two years following the financial year for which you are claiming. Please contact your tax agent for more detail.