Child Care Benefit and Child Care Rebate

The Australian Government provides families with two types of financial assistance to help cover the costs of approved child care - the Child Care Benefit and the Child Care Rebate. It is important to remember that while Child Care Benefit is based on family income, the Child Care Rebate is not income tested.

Child Care Benefit

The Child Care Benefit is income tested and is usually paid directly to approved Child Care Services to reduce the fees that eligible families pay.

You can apply for the Child Care Benefit online or in person through Centrelink. To apply online, visit the Department of Human Services website www.humanservices.gov.au

Eligibility for the Child Care Benefit

- Your child must be attending approved child care or registered child care
- You or your partner must meet the residency and child’s immunisation requirements
- You must be the person responsible for paying the child care fees

Child Care Rebate

An additional payment to the Child Care Benefit is the Child Care Rebate. The Rebate helps families cover the out-of-pocket costs of child care and it is not income tested. Even if your family income is too high for you to receive the Child Care Benefit, you may be eligible for the Child Care Rebate. It covers up to 50 per cent of out-of-pocket costs, up to $7,500 per child, per year.

You may choose to receive the Child Care Rebate paid fortnightly, either directly to your bank account, or through your child care service provider as a fee reduction. You still have the option of having your Child Care Rebate paid quarterly or annually as a lump sum directly to your bank account.

If you currently receive Child Care Rebate and would like to receive fortnightly payments for the next financial year, you will need to make this change with the Department of Human Services www.humanservices.gov.au.

Out-of-pocket child care costs are calculated after deducting any Child Care Benefit payments that are received.
Eligibility for the Child Care Rebate

- You and your partner (if applicable) must have had work, training, study related commitments (or have an exemption) at some time during the week care is provided.
- You must be using approved child care.
- You or your partner must be an Australian citizen, a permanent resident living in Australia or be exempted from the Australian Government’s residency requirements.
- Children under seven years of age must meet the Australian Government’s immunisation requirements or have an exemption.
- You must be the one responsible for your child care costs. If your employer contributes to your child care through salary sacrificing or packaging, you should discuss with them who is responsible for the cost.

How to claim the Child Care Rebate?

- You will need to apply for the Child Care Benefit first. There is no separate claim form for the Child Care Rebate. You can apply for the Child Care Benefit in person or online. For online applications visit the Department of Human Services www.humanservices.gov.au
- You will automatically be assessed and paid if you are eligible when you apply for the Child Care Benefit (even if you are assessed at a zero rate for the Child Care Benefit due to your family’s income)
- If you are eligible to receive the Rebate, it will be paid once Centrelink has received child care attendance details from your child care service/s


For more information

If you have any questions about the Child Care Benefit or Child Care Rebate contact the Department of Human Services on 13 24 68.