



Dear Provider

Please forward the information below to your families

After the end of each financial year, Centrelink balances each family's Child Care Subsidy (CCS) entitlements ('balancing' is also known as 'reconciliation'). All families who received CCS in 2018-19 will go through this process. This can only happen after they've lodged a tax return for 2018-19, or advised Centrelink that they are not required to lodge a tax return.

We have worked with Centrelink to develop resources you can share with families who attend your service to help them understand the process.

If you receive questions from families, you can encourage them to visit www.humanservices.gov.au/balancing. There is more information on the Centrelink website to help families understand the balancing process.

Kind regards

Stakeholder Engagement Team

Dear Families

Child Care Subsidy balancing basics

What is balancing?

After the end of each financial year, Centrelink balances your Child Care Subsidy. They do this to make sure you received the right amount of subsidy for the financial year.

How does balancing work?

Centrelink looks at your adjusted taxable income for the 2018-19 financial year and compares it to the estimate you gave them.

They then work out if you were paid too little subsidy, the right amount or too much. They'll send you a letter to let you know the outcome. Your letter will tell you whether:

- you'll get a top up of subsidy because you were paid too little,
- you'll need to pay Centrelink back because you were overpaid, or
- you were paid the right amount, and don't need to do anything.

What you need to do?

To balance your Child Care Subsidy payments, Centrelink needs to confirm your family income for the 2018-19 financial year.

Once you and your partner have lodged your tax return, the Australian Tax Office will send Centrelink your income information. There's nothing else you need to do and there's no need to call.

If one or both of you don't need to lodge a tax return, you need to tell Centrelink you're not required to lodge.

Your subsidy can't be balanced until you do this.

Telling Centrelink you're not required to lodge

You can tell Centrelink you don't need to lodge a tax return in either your:

- Centrelink online account through myGov, or
- Express Plus Centrelink mobile app.

Select **Advise non-lodgement** and follow the prompts.

Where to go for more information?

To see when your Child Care Subsidy has been balanced you don't need to call Centrelink. Instead you can:

- keep an eye on your myGov Inbox, as this is where Centrelink will send your outcome letter if you get letters electronically.
- view the status of Child Care Subsidy balancing in your Centrelink online account through myGov or Express Plus Centrelink mobile app.

To find out more about balancing your Child Care Subsidy (or your other family payments) go to humanservices.gov.au/balancing.

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