

# Changes to Child Care Subsidy



From 10 July 2023 there are 2 important changes to Child Care Subsidy (CCS), to make child care more affordable for most families.

There are changes to the way we calculate CCS entitlement known as **Cheaper Child Care**. There are also changes to the activity test for families caring for **Aboriginal and Torres Strait Islander** children.

## Cheaper Child Care

### What you need to know

- The maximum amount of CCS is increasing from 85% to 90%. Families earning up to \$80,000 will get the new maximum percentage of 90%.
- Families earning over \$80,000 may get a subsidy starting from 90%. This will go down by 1% for each \$5,000 of income they earn above \$80,000. The CCS percentage you're entitled to depends on your family's income.
- The income limit for CCS is increasing to \$530,000.

For more information about CCS, go to [servicessaustralia.gov.au/childcaresubsidy](https://servicessaustralia.gov.au/childcaresubsidy)

Use the Starting Blocks calculator to see what your rate may be from 10 July 2023, go to [startingblocks.gov.au](https://startingblocks.gov.au)

### Families with more than one child aged 5 or under

Families earning below \$362,408 with more than one child aged 5 or under in care can get a higher rate of CCS for one or more of their children.

### If you get Additional Child Care Subsidy

If you get Additional Child Care Subsidy (ACCS) your rates will stay the same.

From 10 July 2023, the low income limit for ACCS Transition to Work (TTW) will increase to \$80,000. You will still need to meet other ACCS TTW eligibility requirements.

### What you need to do

In most cases, you don't need to do anything to get the increased rate. If you get CCS, we'll apply changes to your CCS automatically from 10 July 2023.

### Updating your family income estimate

The amount of CCS you get is calculated using your family income estimate. It's important to make sure that you check your income estimate regularly and update it if your circumstances change.

If you get CCS or if you're already assessed for CCS but get 0%, you may be entitled to an increased rate. Check your family income estimate is up to date so you get the right amount from 10 July 2023.

You can check or update your income estimate at any time using:

- your **Centrelink online account** through [my.gov.au](https://my.gov.au)
- the **Express Plus Centrelink mobile app**
- the **myGov app**.

For more information about how to update your family income estimate, go to [servicessaustralia.gov.au/familyincomeestimate](https://servicessaustralia.gov.au/familyincomeestimate)

## Making a claim for CCS

From 10 July 2023 the income limit for CCS is increasing to \$530,000. This means that more families will be entitled to CCS to reduce their child care costs.

If you want to check your eligibility for CCS, you can make a claim using your Centrelink online account through myGov or your Express Plus Centrelink mobile app.

If you make a claim and it's assessed before 10 July 2023, you may be assessed at 0% if your income is over \$356,756. Your new rate of CCS will automatically apply to you from 10 July 2023.

You can make a claim for CCS any time using:

- your **Centrelink online account** through **my.gov.au**
- the **Express Plus Centrelink mobile app**
- the **myGov app**.

For more information about how to claim CCS, go to [servicessaustralia.gov.au/how-to-claim-child-care-subsidy](https://servicessaustralia.gov.au/how-to-claim-child-care-subsidy)

## What's happening from 10 July 2023

If you already get CCS or have made a claim, we'll send you a letter with your new CCS rates and you'll also be able to see them in:

- your online account through myGov. Select **My family** from the Menu, then **Family assistance**, followed by **Child Care Subsidy Summary** to view your rate.
- your Express Plus Centrelink mobile app. Select **Child Care Subsidy**, then **Children assessed** to view your rate.

You can talk to your child care service about how your CCS reduces the child care fees you pay.

## Activity test changes for Aboriginal and Torres Strait Islander children

### What you need to know

- From 10 July 2023, there are changes to CCS for Aboriginal and Torres Strait Islander children. The changes mean they can get at least 36 hours of subsidised care per fortnight, regardless of their family's income or activity level.
- Families may get more than 36 hours of subsidy per fortnight based on their circumstances and the amount of recognised activity they do.

For more information about CCS, go to [servicessaustralia.gov.au/childcaresubsidy](https://servicessaustralia.gov.au/childcaresubsidy)

### What you need to do

You can tell us if you have an Aboriginal or Torres Strait Islander child in your care to get at least 36 hours of subsidised care per fortnight. You can update your child's CCS details by calling us on **136 150**.

It is voluntary to tell us if you have an Aboriginal or Torres Strait Islander child in your care.

The information you provide to us will be used to work out your CCS entitlement. We may also use it to help us improve services to Aboriginal and Torres Strait Islander people. If you choose not to tell us that a child in your care is an Aboriginal or Torres Strait Islander person, this will not change your CCS entitlements.

You do not need to do anything if you already get more than 36 hours of subsidy based on your circumstances.