

Child Care Subsidy balancing basics

How it works

At the end of each financial year, Services Australia balances your Child Care Subsidy (CCS). They do this to make sure you got the right amount of subsidy for the year.

Services Australia look at your actual income for the 2023–24 financial year and compare it to the estimate you gave them.

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

- You'll get a top up of subsidy because you were paid too little.
- You'll need to pay Services Australia back because you were overpaid.
- Nothing further because you were paid the right amount.

If we paid you too much CCS during the year or you have an outstanding debt with us, we may recover it from either:

- your CCS top up and arrears payments
- your tax refunds.

What you need to do

To balance your payments, Services Australia needs to confirm your family income for the 2023–24 financial year.

They'll do this after you and your partner lodge your tax returns with the Australian Taxation Office (ATO). If one or both of you don't need to do this, you'll need to tell Services Australia you or your partner don't need to lodge and provide your actual income. You need to do this even if you had no income or you've already told the ATO.

For 2023–24, you need to confirm your family income before 30 June 2025. Your subsidy can only be balanced once your income is confirmed.

To see when your subsidy has been balanced you don't need to call Services Australia. Instead you can:

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

Telling Services Australia you or your partner don't need to lodge a tax return

You can tell Services Australia you or your partner don't need to lodge a tax return and provide actual income in either your:

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

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

If you separated during the financial year, we may use your ex-partner's income to balance your payments.

If your ex-partner has not lodged a tax return, or if you don't know if they have lodged one, you should call Services Australia on **136 150**.

When Services Australia will balance your subsidy

Services Australia will start balancing Child Care Subsidy payments from mid–August 2024. This is to make sure they have all your attendance details for the financial year.

Setting yourself up for next financial year

The best way to avoid an overpayment or an unexpected outcome is to check if you need to do any of the following:

- update your family income estimate if things have changed
- tell Services Australia about any changes to your activity test
- update your CCS withholdings to reduce your risk of getting a debt
- update any changes to your families circumstances.

If your circumstances change, you may need to update your details with Services Australia again throughout the financial year.



For more information about balancing your Child Care Subsidy go to servicesaustralia.gov.au/ccsbalancing

