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COMMUNITY

Income support through Services Australia

In response to the economic impact of the Coronavirus, the Government has announced a number of initiatives to help individuals and businesses at this uncertain time.

Below is an overview of some of the initiatives and changes that may help you.

During these uncertain times, professional financial advice is even more important. Financial advisers look at your current circumstances and recommend the most appropriate course of action for you and your family.

Social security payments and changes

Tax-free lump sum payments

From 12 March 2020, you may be eligible to receive up to two, separate, tax-free \$750 lump sum payments if you receive one or more Centrelink payments or concession cards as shown in the table below.

A single person may receive up to \$1,500 and couples may receive up to \$3,000 from the first and second payments.

You do not need to apply for these payments, Centrelink will automatically allocate this to you depending on your eligibility.

Eligible for up to 2x \$750 lump sums	Likely to receive the first lump sum but will receive the Coronavirus Supplement instead of the second lump sum
<ul style="list-style-type: none"> • Age pension • Disability support pension • Carer Payment • Widow B Pension • ABSTUDY (Living Allowance) • Austudy • Bereavement Allowance • Newstart Allowance • Family Tax Benefit (includes Double Orphan Pension) • Carer Allowance • Pensioner Concession Card holders • Commonwealth Seniors Health Card holders • Veterans Service Pension; Veteran Income Support Supplement 	<ul style="list-style-type: none"> • Parenting Payment • Wife Pension • Jobseeker Payment • Youth Allowance Jobseeker • Partner Allowance • Sickness Allowance • Special Benefit • Widow Allowance • Farm Household Allowance

Eligible for up to 2x \$750 lump sums	Likely to receive the first lump sum but will receive the Coronavirus Supplement instead of the second lump sum
<ul style="list-style-type: none"> • Veteran Compensation Payments (includes lump sum payments) • War Widow pension, and Veteran Payment • DVA PCC holders • Disability Pensioners at the temporary special rate • DVA income support pensioners at \$0 rate • DVA Gold Card holders 	

Note: The payments will not be treated as income for Social Security, DVA and Farm Household Allowance purposes.

Social security recipients

Any change in circumstances that is not a result of COVID-19 will be assessed under the ordinary rules and may impact your entitlement. All changes should be reported to Centrelink or DVA.

- **Child Care Subsidy:** For COVID-19 and non-COVID-19 related absences, your child can no longer attend child care but you're still charged a fee from your childcare provider, you may still receive the subsidy for up to 42 days of absence. This applies also to non-COVID-19 related absences. If your activity hours change, you don't need to update your activity tests where it is due to a requirement to self-isolate, or if you're on leave.
- **Youth Allowance (student):** For students, activity requirements will be amended if they are unable to attend studies due to the virus.
- **Newstart or Jobseeker:** Flexible options to recipients with mutual obligations (for example Newstart or Jobseeker recipients who usually need to be actively looking for work, volunteering, or doing some paid work) will be provided. This may apply where you're unable to satisfy these requirements because you're self-isolating, or you're a primary carer, caring for a child whose school has closed, or a disabled adult whose day service closes. You may receive an exemption from this requirement without a need for medical evidence.
- **Students and trainees:** If your education provider closes or reduces your study load, or you're self-isolating at home, your payment won't change. You must remain enrolled in study and have a plan to return and must tell Centrelink if this doesn't apply to you.

For more information visit <https://www.servicesaustralia.gov.au/individuals/subjects/affected-coronavirus-covid-19>

If you are affected as a result of COVID-19 you may be eligible for a benefit

You may be eligible to apply for a payment if you're unable to work, are in isolation or hospital, or you need to care for children as a result of COVID-19. If you apply for a social security benefit or concession card and your claim is related to COVID-19, some of the ordinary eligibility rules may be waived.

Coronavirus Supplement

From 27 April 2020, if you are eligible (see table above) you will be **automatically** paid the Coronavirus Supplement. The Coronavirus Supplement is a taxable \$550 fortnightly payment for six months.

Other income support during the six-month period:

- Waiving the asset test for Jobseeker Payment, Youth Allowance Jobseeker, and Parenting Payment.
- The income test will continue to apply to the other payments you receive.
- The one-week ordinary waiting period, liquid assets waiting period, seasonal work preclusion period and newly arrived residents waiting period will not apply during this period. These waiting periods will also be waived if you are currently within these waiting periods.
- Income maintenance periods and compensation preclusion periods will continue to apply as payments received by an individual are treated as income.

If you wish to make an application, please go online to your myGov account or phone Centrelink (please note waiting periods are currently high).

If you have any questions, please contact us to speak to a financial adviser.