



Child Support in Australia: 2021 Expert Guide

Learn more about child support in Australia
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This expert guide covers **child support law in Australia** and how it may apply to situations like yours.

In this guide we will gain insight on the following:

1. CHILD SUPPORT IN AUSTRALIA: WHAT IS IT?

2. WHO CAN APPLY FOR CHILD SUPPORT IN AUSTRALIA?

3. CHILD SUPPORT FORMULA: HOW TO CALCULATE

4. MORE FAQs ABOUT CHILD SUPPORT IN AUSTRALIA

5. TAKEAWAY POINTS

CHILD SUPPORT IN AUSTRALIA: WHAT IS IT?



“In Australia, **child support** is the financial support for children after the parents’ relationship ends. Both parents have a responsibility to support their children until the age of 18 and sometimes beyond.”

-Dominic Nguyen, Solicitor Director, Unified Lawyers



If there are children of the relationship, Australian family law requires that the **children’s best interests are top priority.**

Calculation of child support depends on a range of factors, including:

- » Incomes
- » Future earning potential
- » Other financial obligations
- » The care needs of each child
- » Expenses



What does child support cover?

There isn't much information about what child support payments should cover. As parents, **you're expected to agree on expenses**, including:

- » Medical costs
- » School fees
- » School uniforms
- » Sports and dance activities
- » Music lessons



The child support system allows the paying parent to **pay up to 30 percent of the child support amount by directly paying expenses**, for example, by paying fees directly to the school. Such payments are only for recognised expenses including:

- » Rent
- » Transport
- » School fees
- » School uniforms
- » Medical expenses

If you and the other parent can't agree on what child support should cover, you may need legal advice or family counselling.

How do I apply for child support?

1. CHILD SUPPORT AGENCY

If you're a parent of the child, you can apply to the Child Support Agency (CSA) for child support by filling out an online application form.

You will need to provide personal details, including:

- » The full names of your children
- » Your full name and the full name of the other parent
- » Contact information such as mailing, email addresses and phone numbers for you and the other parent
- » Your government identification numbers, for example, your Centrelink Reference Number (CRN) and your Tax File Number (TFN)
- » Sports and dance activities
- » Details about how much you earn and how much you're likely to earn in the future
- » Details of all the people who depend on you for financial support, including details about how often they're in your care
- » Your bank account information

The advantage of using this system is that **CSA completely manages it**, removing the stress of:

- » Negotiating an agreement
- » Monitoring payments
- » Chasing late payments
- » Enforcing non-payments



If your situation is **complicated, you may need legal advice** before submitting the form. Such situations may include:

- » Domestic violence
- » Complex financial or business arrangements
- » Paternity issues
- » Children with special needs



We recommend that you seek legal advice from your community legal service or a private lawyer.

How do I apply for child support?

2. PRIVATE AGREEMENTS

In some circumstances, you may be able to make **a private child support agreement with the other parent**. Some agreements can be worked out by the parents (and their lawyers), while others may be based on a CSA assessment.

Whether a private agreement is appropriate depends on the circumstances. **Private agreements can last for a long time**, so you need to make sure you've considered whether:

- » Any circumstances may change
- » The agreement looks after your child's future needs

WHO CAN APPLY

FOR CHILD SUPPORT IN AUSTRALIA?



There are two broad categories of people who can apply for child support in Australia: **parents and non-parent carers**.

1. PARENTS

As a parent, you can apply for child support if you can prove that you're the child's **legal parent**. Proof may include:

- » A statutory declaration
- » Your name on the child's birth certificate
- » Your name on the child's adoption papers
- » Your marriage certificate
- » A Court declaration

1. NON-PARENT CARERS

The law allows **non-parent carers** to apply for child support in specific circumstances.

Non-parent carers include:

- » Grandparents
- » Other family members
- » Legal guardians

If you're a **legal guardian** (and not the child's blood relative), you need to satisfy criteria including:

- » How long the child spends in your care
- » Whether you're in a relationship with one of the child's parents
- » Whether you share joint care with either parent
- » Whether your care is in the best interests of the child

When is child support legally owed?

PAYMENTS MANAGED BY CSA

Child support is legally owed on the **first payment due date** after CSA completes the child support assessment and sets up its collection schedule.

PRIVATE AGREEMENTS

Whether your collection arrangements are private or through CSA, child support is legally owed from the **due date of the first agreed payment**.

How is child support paid?

If you have a child support assessment from CSA, you and the other parent can decide whether to ask CSA to collect the child support, or whether you can make private collection arrangements.



When does child support end?

It's common for child support to end when your child reaches adulthood. That is, when they turn **18 years old**.

However, there are reasons for child support to extend after the age of 18, including:

- » The child hasn't yet completed secondary study, university study, or another form of higher education
- » The child needs more time to establish themselves in the workforce
- » The child has significant ongoing health or medical needs which require extra financial support

If there are reasons why your child's support should be extended, you need to make **a private agreement with the other parent**. However, **you must apply before the child's 18th birthday**.

CHILD SUPPORT **FORMULA:** HOW IS IT CALCULATED?



Calculation of child support is a complicated process, taking into account **current financial circumstances and predicting future needs**. Child support assessments are different in every situation.

CSA will take a detailed look at your financial situations, including:

- » Incomes
- » Expenses
- » Future earning potential
- » Who pays for what
- » How much time the children spend with each parent
- » Any parenting plans or court orders relating to the children
- » The children's ages

When CSA has all the information, it applies an eight-step formula to work out child support.

It will usually decide whether you should:

- » **Pay** child support if the time you spend caring for your children is **less** than your share of your combined income with the other parent; or
- » **Receive** child support if the time you spend caring for your children is **more** than your share of your combined income with the other parent

If you **disagree with an assessment**, you usually have **28 days to appeal**. Details about how to appeal are included with the assessment notification, which CSA sends to you.

Checking the cost of children

The **cost of children** is taken into account when calculating child support, for example:

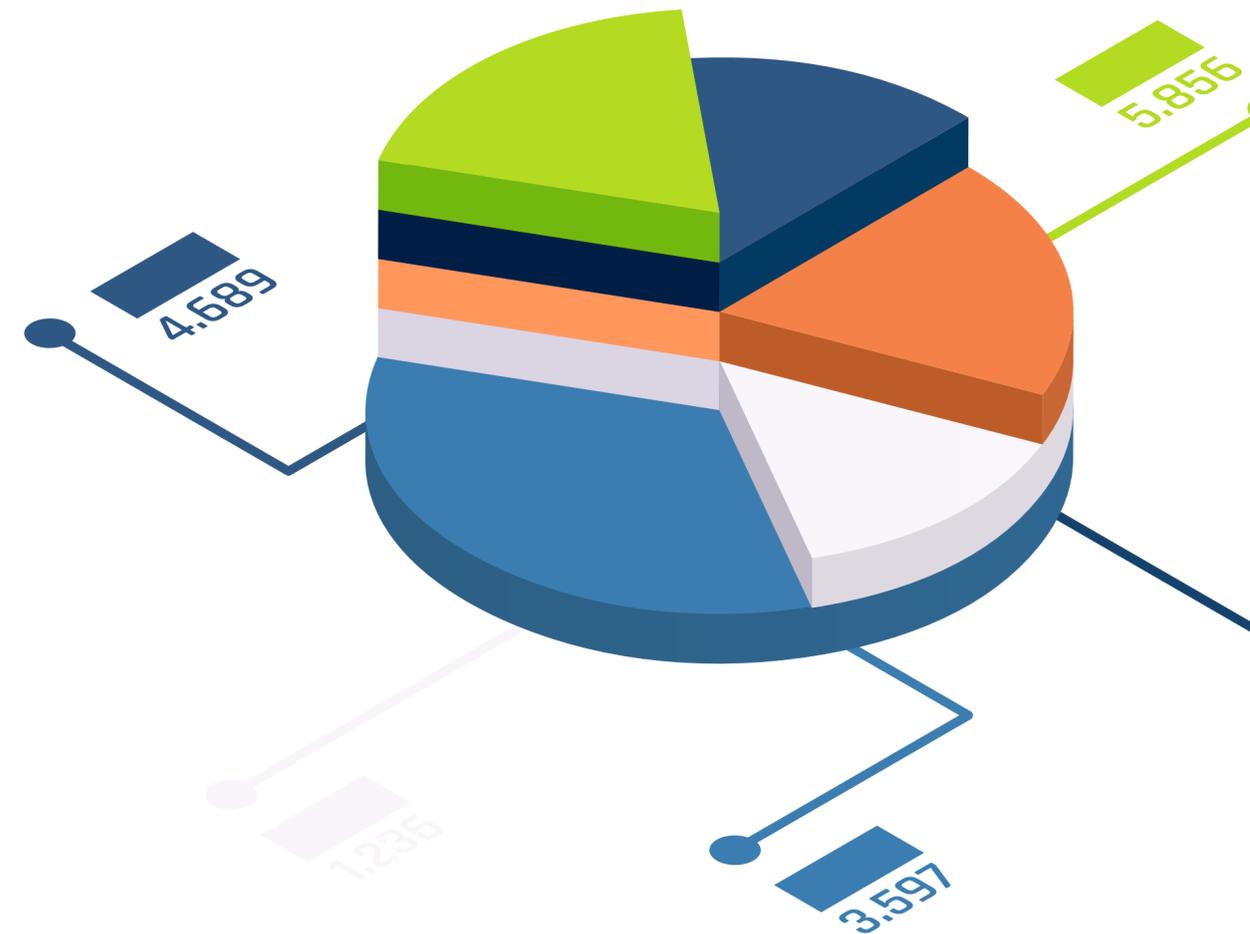
- » How many children need support
- » Whether you have other dependent children from a different relationship
- » Whether you have other child support assessments
- » Whether any dependent children live with you for at least 128 nights per year
- » Whether the other parent has any other dependent children
- » Whether the other parent has other child support assessments
- » Details about how you and the other parent care for the child
- » Details about how you and the other parent pay for expenses such as school fees and after-school activities
- » Other information about your dependent children, for example, special medical needs

Calculating income share

When working out child support, **CSA will give equal consideration to each parent's income.**

To work out your income (and the other parent's income), CSA will consider the following for both of you:

- » Taxable incomes
- » Reportable fringe benefits
- » Total net investment loss
- » Tax-free pensions and benefits
- » Foreign incomes
- » Superannuation contributions
- » Any income support payments



Taking cost shares into consideration

A significant part of the assessment process is working out the **care and cost percentage**. The **care percentage** represents how much time a parent spends caring for the child. The **cost percentage** represents a parent's share of the child's expenses.

Final child support calculation: how much child support will I have to pay?

The final child support calculation will differ in every situation.

At their most basic, **child support assessments are based on care requirements, expenses and income**. Based on these criteria, you can use the [Australian Governments' Child Support Estimator](#) to calculate an approximate amount.

MORE FAQs ABOUT CHILD SUPPORT IN AUSTRALIA



Is it possible to legally avoid paying child support?

1. CHILD SUPPORT ASSESSMENTS

If you disagree with your child support assessment, you can **challenge it using CSA's dispute process**. It's the only way you can **legally avoid paying child support** when CSA is involved. Usually, you have **28 days to lodge a dispute** with CSA from the day you receive the decision letter about your assessment. **You can only lodge a dispute for specific reasons**, including:

- » The assessment is based on incorrect or outdated information
- » CSA hasn't considered all the facts and circumstances
- » CSA hasn't considered some critical details
- » CSA has incorrectly applied the law to the assessment

2. PRIVATE ARRANGEMENTS

If you have a CSA assessment but a private collection arrangement, you can ask CSA to recover unpaid child support **if it's three or more months overdue.**

If you disagree with the assessment, you must apply to CSA for a change or review. In the meantime, **you must continue to pay the assessed child support.**

How can I minimise child support payments?

If you have a **change in circumstances**, you can ask CSA to review your child support. For example:

- » You lost your job
- » Your income has significantly reduced
- » Your expenses have significantly increased (for example, you have other dependent children)
- » The other parent's income significantly increased
- » The child has turned 18 years old and now can earn an income
- » You've paid child support in different ways, for example, transferring money or property to the other parent or a grandparent for the child

How far back can I claim child support?

If the other parent has stopped or reduced child support, you can ask CSA to collect the debt. However, in most circumstances, **CSA can only collect the debt for the previous three months.**

How does child support affect my Centrelink or Government benefits?

There's a close link between child support and government benefits (including Centrelink benefits). **Child support payments can affect your Family Tax Benefit.**



TAKEAWAY POINTS



Child support is complex. We recommend seeking legal advice to explore all the risks, issues and legal consequences.

For CSA assessments, you need to show evidence for everything you claim, and to act quickly if circumstances change.

It's important to understand that child support in Australia is meant to serve the **best interests of your children**.

Contact us to learn more about child support in Australia.