



# Exemptions to the Child Care Subsidy activity test

## How do exemptions to the activity test work?

If you (or your partner) cannot meet the activity test requirements, you may be eligible for an exemption. In the cases listed in the table below, if you are eligible for an exemption, then you are entitled to 100 hours of subsidised care per fortnight.

In two parent families, where one person has an exemption, the hours of subsidised care for the family is based on the person with the lowest activity test result.

## What are the exemptions to the activity test?

| Type of exemption   | What you need to get the exemption   |
|---|--|
| <b>People with a disability or impairment</b>   | You must be: <ul style="list-style-type: none"><li>• receiving a Disability Support Pension OR</li><li>• receiving an invalidity service pension OR</li><li>• diagnosed as impaired to a significant degree by a registered medical practitioner or clinical psychologist.</li></ul> |
| <b>People living or travelling outside Australia</b>  | You must be living or travelling outside Australia. If you are the person claiming Child Care Subsidy, this exemption (and the maximum time you can be eligible for Child Care Subsidy while outside Australia) is for up to six weeks.  |
| <b>People receiving Newstart, Youth Allowance (jobseeker), Parenting Payment or Special Benefit</b> | You must be receiving one of these Centrelink payments – Newstart, Youth Allowance (jobseeker), Parenting Payment or Special Benefit,<br><br>AND   |

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|---|--|
|   | You are exempt from the compulsory mutual obligation requirements of the Centrelink payment you are receiving (but not where your exemption was provided because you are a home educator, distance educator, or because you are the principal carer or main supporter of a number of children).  |
| <b>People who are a carer</b>   | You must be receiving the Carer Payment<br>OR<br>You must provide constant care for an adult or child,<br>AND<br>You would qualify for the Carer Payment but you, or the person you are caring for, does not pass the means or assets tests for Carer Payment.   |
| <b>People who are in gaol or psychiatric confinement</b>                              | You must be in gaol or psychiatric confinement due to being charged with an offence.   |
| <b>Grandparents who are the principal carers of their grandchild or grandchildren</b> | You must be the principal carer of your grandchild or grandchildren (to be a principal carer, you must provide at least 65 per cent or more ongoing daily care for the child AND make the day to day decisions about the child's care, welfare and development. Being a principal carer can be a permanent or temporary arrangement),<br>AND<br>You must not be receiving income support payments (Grandparents receiving income support may be eligible for Additional Child Care Subsidy (grandparent)). |

## What about the preschool exemption?

The preschool exemption works differently – a preschool aged child can attend a preschool program in a centre-based care service in the year before their first year of primary school, even when families do not meet the activity test. Families will be entitled to 36 hours of subsidised care per fortnight (the first step of the activity test). For more information, see the fact sheet on the preschool exemption.

## How are exemptions applied?

Centrelink will determine if you are entitled to an exemption based on the information you provide when you claim for the Child Care Subsidy. In some cases, Centrelink will automatically apply your exemption, however, for some exemptions Centrelink may require more information or evidence before they can determine if you are entitled or not.

You are required to let Centrelink know as soon as possible if your (or your partners) circumstances change, including where your circumstances change so that you might be entitled to an exemption, or where the circumstances that entitled you to an exemption no longer apply. You can notify any change of circumstances via your Centrelink online account, through the Express Plus Centrelink mobile app or in person at a Centrelink office.

## **Where can I get further information on the Child Care Package?**

Department of Education, Skills and Employment Child Care Package: [dese.gov.au/ecc](https://dese.gov.au/ecc)

Services Australia Child Care Subsidy: [servicesaustralia.gov.au/childcaresubsidy](https://servicesaustralia.gov.au/childcaresubsidy)