



Last updated: 30 April 2020

# Information for Disability Support Pension and Carer Payment recipients in response to COVID-19

This document has been developed to answer any questions that Disability Support Pension and Carer Payment recipients may have around the COVID-19 pandemic.

#### **Frequently Asked Questions**

Will my Disability Support Pension (DSP) be impacted if I receive the JobKeeper Payment?

Yes. The amount of DSP you are paid depends on how much income you earn. If you are receiving more money through the fortnightly \$1,500 JobKeeper Payment, than you were before, you may get less money through your DSP. However, it is likely that you will be receiving more money overall.

Most single people on the youth rate of DSP will have their DSP payment suspended for the period that they are receiving the JobKeeper Payment.

When the JobKeeper Payment stops on 27 September 2020 and your income goes back to what it was before receiving the Payment, then the amount you receive on DSP will also go back to what it was before.

Any DSP recipient that loses their DSP as a result of the JobKeeper Payment will have their DSP suspended for the period they receive the JobKeeper Payment, however will retain their Pensioner Concession Card (PCC) and associated benefits for the entire period. Any concessions they currently receive through their PCC should be retained (however many of these are provided by States and Territories and eligibility for those is a matter for the States and Territories).

DSP recipients whose DSP payment is reduced to nil due to increased employment income will continue to have access to Commonwealth concessions on medical benefits and pharmaceutical concessions provided by the PCC for 52 weeks.

DSP recipients must report their JobKeeper Payment as income to Services Australia.

Recipients of DSP whose partner's income brings them over the income threshold for the payment are entitled to keep their PCC for a period of 12 weeks after their DSP payment ceases to be payable.

More information about income thresholds for DSP can be found on the <u>Services Australia</u> <u>website</u>.

When the JobKeeper Payments cease, the recipient will need to advise Services Australia of the change in their circumstances, and if no other changes to circumstances have occurred, their DSP will re-commence. A DSP recipient that is working can suspend their entitlement for up to two years without needing to re-apply for DSP.

If you have questions about your DSP, please visit the Services Australia <u>Disability Support</u> Pension website.

More information about the JobKeeper Payment, including information on eligible employers and employees can be found on the <u>Treasury website</u>.

For information on how to apply for the JobKeeper Payment, please visit the <u>Australian Taxation Office website</u> or call the Emergency Support Hotline on 1800 806 218.

In addition, Services Australia has released a <u>fact sheet</u> to assist DSP recipients considering moving to the Job Seeker Payment..

### Will my Carer Payment (CP) be impacted if I receive the JobKeeper Payment?

Yes. The amount of CP you are paid depends on how much income you earn and hours that you work. If you are receiving more money through the fortnightly \$1,500 JobKeeper Payment, than you were before, you may get less money through your CP. However, it is likely that you will be receiving more money overall.

When the JobKeeper Payment stops on 27 September 2020 and your income goes back to what it was before receiving the payment, if there are no other changes in circumstances, then the amount you receive on CP will also go back to what it was before.

Any carers that lose their CP due to the JobKeeper Payment, will not receive CP for 12 weeks but will retain the Pensioner Concession Card (PCC) for those 12 weeks. After those 12 weeks, their CP will be cancelled and the PCC will no longer be able to be used. Once the JobKeeper Payment ceases, the recipient will be required to re-apply for CP from the beginning of the process. A previous medical report may be able to be re-used for the application process, depending on how old the report is.

More information about income thresholds for CP can be found on the <u>Services Australia</u> website.

If you have questions about your CP, please visit the Services Australia <u>Carer Payment</u> website.

More information about the JobKeeper Payment, including information on eligible employers and employees can be found on the <u>Treasury website</u>.

For access to carer specific supports and services contact Carer Gateway on 1800 422 737 or visit the <u>Carer Gateway website</u>.

# Will the Commonwealth Rental Assistance (CRA) be impacted if a DSP recipient has their DSP suspended?

Generally, when your DSP is reduced to nil due to employment income, this means your CRA has also been reduced to nil.

Where your DSP payment is suspended for up to 2 years, your CRA will also not be paid.

Once your DSP payment resumes, your CRA payments may also resume, provided you continue to meet the CRA requirements.

Special rules apply in some circumstances. Please visit the Services Australia Rent Assistance website for more information.

# Will a supported employee's Reasonable Rent Contributions and Supported Independent Living be impacted if their DSP is suspended?

For Specialist Disability Accommodation, Reasonable Rent Contributions (RRCs) are calculated with respect to the base rate of DSP and not what any particular person may or may not be receiving. If there is no change to the base DSP rate, there is no change to RRCs.

Supported Independent Living (SIL) quotable prices are not linked to DSP and so there are no impacts with respect to SIL.

#### Am I eligible for the additional \$750 Economic Support Payment?

If you are currently receiving the DSP, Age Pension or CP, you are eligible for the Economic Support Payment of \$750, which was paid to you between 31 March 2020 and 17 April 2020. You will receive a second payment of \$750 from 13 July 2020 if you continue to meet the eligibility requirements.

If you are suspended from DSP or CP on 10 July 2020, you will not be immediately eligible for the second Economic Support Payment.

You do not need to apply for this payment, it will be automatically paid to you.

People receiving other Government benefits may also be eligible for the \$750 Economic Support Payment, however, you will only get one payment, even if you get more than one qualifying payment or card.

More information about the Economic Support Payment, including a full list of eligible payments can be found on the Services Australia website.

#### Will I get the extra \$550 Coronavirus supplement?

If you are currently receiving one of the following Government payments, you will receive the temporary Coronavirus Supplement of \$550 per fortnight on top of your current payments:

- JobSeeker Payment, Partner Allowance, Widow Allowance, Sickness Allowance and Wife Pension
- Youth Allowance for job seekers
- Youth Allowance for students and apprentices
- Austudy for students and apprentices
- ABSTUDY for students getting Living Allowance
- Parenting Payment partnered and single
- Farm Household Allowance
- Special Benefit

If you receive the DSP, Age Pension or CP and **not** one of the above payments, you are not eligible for the Coronavirus supplement.

#### Will I have to pay tax if I get the JobKeeper Payment?

The JobKeeper Payment is considered taxable income.

More information on tax thresholds and income tax can be found on the <u>Australian Taxation</u> <u>Office website</u> or you can call the Emergency Support Hotline on 1800 806 218.

If a supported employee would like to know more about taxable income, they should speak to their employer, family or carer or an advocacy organisation for assistance.

# DSP and CP recipient families with dependent children – How will my Family Tax Benefit be impacted with these changes?

The amount of Family Tax Benefit (FTB) you receive depends on your family income over the whole financial year. Families receiving FTB by fortnightly instalments must estimate their annual income.

If you are receiving the fortnightly \$1,500 JobKeeper Payment, you must count this as income earned during the financial year. Families who choose to receive FTB as a lump sum after the end of the financial year, will have their actual income (including any JobKeeper Payment received) determine their FTB entitlement.

If you and/or your partner are receiving an income support payment, such as DSP or CP, you will not be subject to the FTB Part A or FTB Part B primary earner income tests while at least one member of a couple are receiving an income support payment.

While receiving an income support payment, the family rate of FTB is quarantined from the rest of the financial year to ensure support during this period and to lessen the risk of incurring debts. This means that you will be entitled to the maximum rate of FTB Part A and, depending on the income of the secondary earner, you may be eligible for FTB Part B.

However, the income test does apply for the rest of the relevant financial year, when both members of the couple are not receiving an income support payment. The secondary earner income applies for the entire year in relation to FTB Part B.

In addition, the Government is providing two \$750 Economic Support Payments to recipients of eligible payments or concession cards, including recipients of FTB Part A. You can be eligible to receive both the first and second support payment.

However, you can only receive one \$750 payment in each round of payments, even if you get more than one qualifying payment or card.

The payment will be exempt from taxation and will not count as income for the purposes of Family Tax Benefit.

#### **Disability Information Helpline**

The <u>Disability Information Helpline</u> provides information and referrals for people with disability who need help because of COVID-19.

The Helpline can help families, carers, support workers and support services, too.

The Helpline is free, private and fact-checked.

You can contact the Helpline in the following ways:

- Phone (free call): 1800 643 787
- If you are deaf, or have a hearing or speech impairment, you can also call the National Relay Service on 133 677.

The Helpline is available Monday to Friday 8:00am to 8:00pm (AEST) and Saturday and Sunday 9:00am to 7:00pm (AEST). It is not available on national public holidays.

The Disability Information Helpline is funded by the Australian Government.

Visit the Disability Information Helpline for more information.