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

This document has been developed to answer common 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 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. DSP recipients must report their JobKeeper Payment as income to Services Australia, and should report any changes to the amount received within 14 days as it will affect how much DSP you get paid.

Prior to 28 September 2020, most single people on the youth rate of DSP will have their DSP payment suspended or paid at nil rate when they are receiving the JobKeeper Payment. With the changes in the JobKeeper Payment rates from 28 September 2020, some single people on the youth rate of DSP will have their DSP payment suspended for the period they receive JobKeeper Payment.

Any DSP recipients whose DSP payment is reduced to nil due to increased employment income, including JobKeeper Payment, or who have their DSP suspended for the period they receive the JobKeeper Payment, will retain their Pensioner Concession Card (PCC) and associated benefits for up to 52 weeks. Any concessions they currently receive through their PCC should be retained (however many of these are provided by state and territory governments and eligibility for those is a matter for the states and territory governments).

Recipients of DSP whose payment is reduced to nil by their partner's employment income, including income from JobKeeper Payment, are entitled to keep their PCC for a period of 12 weeks after their DSP payment ceases to be payable or until 16 November 2020, whichever is later.

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

When the JobKeeper Payments cease or reduce, 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 have their entitlement suspended for up to two years without needing to re-apply for DSP, and a DSP recipient whose payment is reduced to nil due to partner employment income can have their DSP suspended until 31 December 2020.

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.

Services Australia has also released a <u>fact sheet</u> to assist DSP recipients considering moving to the JobSeeker Payment.

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

Yes. The amount of CP you receive depends on how much income you earn and the number of hours you work. If you are receiving more money through the fortnightly 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.

CP recipients must report their JobKeeper Payment as income to Services Australia, and should report any changes to the amount they receive within 14 days as it will affect how much CP they get paid.

When JobKeeper Payment ceases and a person's income goes back to what it was before receiving the payment, and if there are no other changes in circumstances, then the amount of CP received will also go back to what it was before.

Any carers that lose their CP due to the JobKeeper Payment will retain the PCC for 12 weeks after their CP payment ceases to be payable or until 16 November 2020, whichever is later. After this, their CP and PCC will be cancelled. Once the JobKeeper Payment ceases, the recipient is encouraged to re-apply for CP. 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> <u>website.</u>

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

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 the Carer Gateway on 1800 422 737 or visit the Carer Gateway website.

Is the \$1,500 JobKeeper Payment rate changing?

Yes, the JobKeeper Payment rate is to be reduced from \$1,500 and paid at two rates:

From 28 September 2020 to 3 January 2021, the JobKeeper Payment rates will be:

- \$1,200 per fortnight for all eligible employees who were working in the business or not-for-profit for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for eligible business participants who were actively engaged in the business for 20 hours or more per week on average in February 2020; and
- \$750 per fortnight for other eligible employees and business participants.

From 4 January 2021 to 28 March 2021, the JobKeeper Payment rates will be:

- \$1,000 per fortnight for all eligible employees who were working in the business or not-for-profit for 20 hours or more a week on average in the four weeks of pay periods before either 1 March 2020 or 1 July 2020, and for business participants who were actively engaged in the business for 20 hours or more per week on average in February 2020; and
- \$650 per fortnight for other eligible employees and business participants.

For further information on the JobKeeper Payment changes please visit the <u>Treasury</u> website.

Will my Commonwealth Rent Assistance (CRA) be impacted if my DSP is 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.

Will I get the extra Coronavirus supplement?

If you are currently receiving one of the following Government payments, you will receive the temporary Coronavirus Supplement 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 DSP, Age Pension or CP and **not** one of the above payments, you are ineligible for the Coronavirus supplement.

However, eligible pensioners, such as CP and DSP recipients, may have received two Economic Support Payments of \$750. The first payment was automatically paid between 31 March and 17 April 2020 into the same bank account as your pension payment. The second Economic Support Payment of \$750 was paid to eligible pensioners from 13 July 2020.

If you received more than one Government benefit, for example DSP and Family Tax Benefit Part A, that was eligible for the \$750 Economic Support Payment, you would have only received one payment for each payment period.

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

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

The JobKeeper Payment is treated the same as ordinary salary and wages and will be taxed the same.

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 an 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 by these changes?

The amount of Family Tax Benefit (FTB) you receive depends on your family's circumstances, including your family's adjusted taxable income over the whole financial year.

Families receiving FTB by fortnightly instalments must estimate their annual income. If you are receiving the fortnightly JobKeeper Payment, you must count this as income earned during the financial year when providing an income estimate.

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 family income test. This means that you may be entitled to the maximum rate of FTB Part A, subject to any FTB immunisation or health check requirements and maintenance tests that may apply.

The FTB Part B primary earner income limit also does not apply during income support payment periods and depending on the income of the secondary earner, you may be eligible for the maximum rate of FTB Part B. The FTB Part B secondary earner income test applies for the entire year, including any period of time you and/or your partner 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. The FTB Part A family income test and FTB Part B primary earner income limit apply for any part of the relevant financial year that you (and if partnered, your partner) are not receiving an income support payment.

The \$750 Economic Support Payments are exempt from taxation and will not count as income for the purposes of Family Tax Benefit.

How do I re-activate my DSP payment once I stop receiving the JobKeeper Payment?

When your JobKeeper Payment stops or reduces, and your DSP becomes payable again, you or your nominee can contact Services Australia and request your DSP payment be restored. Generally, only contact by telephone is required. You can call Services Australia on 132 717 or the Multilingual Phone Service on 131 202 Monday to Friday 8:00am to 5:00pm.

Restoration of DSP is subject to you continuing to meet eligibility requirements, such as, residence or assets. You are not required to provide new medical evidence or attend an assessment to review medical eligibility.

Disability Information Helpline

The <u>Disability Information Helpline</u> provides information and referrals for people with disability who need help because of Coronavirus (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.
- If you require support in another language, you can use the Translating and Interpreting Service (TIS National) free of charge by:
 - calling the Disability Information Helpline on 1800 643 787 and asking for an interpreter, or
 - o calling TIS on 131 450 and ask to be connected to the Disability Information Helpline on 1800 643 787.
- To chat online, click on the weekday <u>livechat</u> link, then on the button in the bottom right corner.

The Helpline is available Monday to Friday 8:00am to 8:00pm (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.