



# Child Care Subsidy – Shared Care

## What is shared care?

Shared care occurs when a child is considered a dependent child of two or more individuals. For example, when separated or divorced parents share the care of a child. A child must be in a parents care for a minimum 14 per cent of the time. This means that the parent is caring for the child for at least two nights in a Child Care Subsidy fortnight.

## How shared care arrangements apply to the Child Care Subsidy

If a child's parents are separated, and both individuals (or their new partners) are liable for part of the cost of the child's child care fees, each individual will need to make their own claim for Child Care Subsidy to Centrelink. Each parent will also need their own Complying Written Arrangement with the child care provider.

Where parents have separated after a Complying Written Arrangement has been established, the parent who claims the Child Care Subsidy must notify Centrelink of this change in their circumstances. The other parent must then submit their own application if they wish to be assessed for Child Care Subsidy eligibility.

## Are both parents eligible for the Child Care Subsidy in a shared care arrangement?

Under a shared care arrangement, both parents may be eligible for Child Care Subsidy if they:

- are separately liable for paying child care fees and
- have their own Complying Written Arrangement.

## **How is entitlement for the Child Care Subsidy assessed in a shared care arrangement?**

Centrelink will separately assess the eligibility and entitlement of both parents in a shared care arrangement. As each parent's entitlement is assessed separately, this means that each individual may be entitled to a maximum of 100 hours of subsidised care per fortnight under the activity test. While this would result in 200 hours of subsidised care per fortnight for that child, parents are expected to access only the number of hours of subsidised care they need.

## **How does the annual cap apply in a shared care arrangement?**

The Child Care Subsidy annual cap will apply to each parent separately in shared care arrangements depending on individual circumstances. This means that if a parent earns \$186,958 or less they will not be subjected to an annual cap. Families earning more than \$186,958 and less than \$351,248 will benefit from an increased annual cap of \$10,190 per year per child.

For more information on the annual cap, see the factsheet 'What is the Child Care Subsidy'.

## **How do absences from child care work in a shared care arrangement?**

In shared care arrangements (where separated parents both claim Child Care Subsidy for the child's care), the allocation of 42 absences relates to the child, not to each individual claimant.

For more information on absences, see the factsheet on Absences from Child Care.

## **How can I get more information about shared care arrangements?**

More information about shared care and/or sole parent arrangements for the purposes of the Child Care Subsidy is available in the frequently asked questions at [education.gov.au/new-child-care-package-frequently-asked-questions](https://www.education.gov.au/new-child-care-package-frequently-asked-questions).

For further information visit the Department of Human Services website page on shared care arrangements at [humanservices.gov.au/individuals/enablers/how-your-percentage-care-affects-your-child-support-payments](https://www.humanservices.gov.au/individuals/enablers/how-your-percentage-care-affects-your-child-support-payments).