



Tax offset questions T1-T5

How to complete the tax offset questions T1 to T5 in your paper tax return.

T1 – Spouse (without dependent child or student), child-housekeeper or housekeeper 2011



Provides definitions which will help you determine whether you are eligible for this tax offset.

Rebate income 2011



Work out your rebate income and if you're eligible for the seniors and pensioners tax offset at question T1.

T2 – Senior Australians (includes age pensioners, service pensioners and self-funded retirees) 2011



Complete this question if you meet the conditions to claim the seniors and pensioners tax offset.

T3 – Pensioner 2011



Provides information which will help you complete this question on your tax return.

T4 – Australian super income stream 2011



Complete this question to help you work out if you're eligible for this tax offset and the amount you can claim.

T6 – Education tax refund 2011



Provides definitions which will help you determine whether you are eligible for this tax offset.

Tax offsets that you show on the supplementary section of the tax return 2011



Complete this question if you had tax offsets you need to complete in the supplementary section of the tax return.

Total tax offsets 2011



Complete this question with the total tax offsets in your tax return.

Adjustments that you show on the supplementary section of the tax return 2011



Instructions for completing adjustments in the supplementary tax return.

T5 – Private health insurance 2011




Provides definitions which will help you determine whether you are eligible for this tax offset.

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About question T1

Provides definitions which will help you determine whether you are eligible for this tax offset.

29 June 2011

 Question T1 image from tax return for individuals form.

The following definitions will help you determine whether you are eligible for this tax offset.

Your 'spouse' includes another person (whether of the same sex or opposite sex) who:

- you were in a relationship with that was registered under a prescribed state or territory law
- although not legally married to you, lived with you on a genuine domestic basis in a relationship as a couple.

A **housekeeper** is someone who kept house for you full time and also cared for your dependent children, students or invalid relatives, or your dependent spouse who received a disability support pension.

A **child-housekeeper** is your child who kept house for you full time. Your child includes your adopted child, stepchild, ex-nuptial child or child of your spouse. However a child who is a full-time student or a full-time employee is not considered to keep house full time. (See the full [definition of child](#).)

Keeping house means more than simply child-minding or performing domestic duties. It includes having some responsibility for the general running of the household.

See an explanation of [Adjusted taxable income \(ATI\)](#).

Did you have a dependent spouse, child-housekeeper or housekeeper for any part of the year?

No	<ul style="list-style-type: none"> • go to question T2 Senior Australians (includes age pensioners, service pensioners and self-funded retirees), or • return to main menu Tax return for individuals instructions.
Yes	Read below.

Shared care

You had shared care if you, and your spouse if you had one, cared for your child for some of the income year, and someone else, such as a former spouse, cared for the child for the rest of the income year.

If you received family tax benefit (FTB) Part B as part of a shared-care arrangement, you will need to know your **FTB shared-care percentage** to calculate your spouse offset. Your FTB shared-care percentage is usually not the same as your 'Shared care percentage' which appears on correspondence you have received from the Family Assistance Office (FAO).

If you do not know your **FTB shared-care percentage**, contact the FAO on **13 61 50**.

Answering this question

If you had a dependent spouse, read on. If you had a child-housekeeper, go to [part B](#). If you had a housekeeper, go to [part C](#). If you are claiming a combination of these tax offsets, work through the relevant parts in order.

Part A - Dependent spouse

You cannot claim this tax offset if:

- your **adjusted taxable income (ATI)** for 2010-11 was more than \$150,000, or

- your spouse's **ATI** for 2010-11 was \$9,426 or more.

You can work out your ATI or go to **www.ato.gov.au/calculators** to use the online income test calculator.

You can claim a dependent spouse tax offset for any period in 2010-11 that you had a spouse and you met **all** these conditions:

- you maintained your spouse; see What is maintaining a dependant?
- your spouse was a resident; if you are not sure, read Are you an Australian resident?
- you were a resident at any time during 2010-11
- neither you nor your spouse (during any period they were your spouse) was eligible for family tax benefit (FTB) Part B or if one of you was eligible for it, you were eligible at the shared-care rate only
- neither you nor your spouse (during any period they were your spouse) received parental leave pay.

To work out your spouse's ATI for the period you can claim use Worksheet 1 - Working out a person's ATI for the relevant period.

The maximum spouse tax offset you can claim is \$2,286.

If you are entitled to claim a dependent spouse tax offset, go to part A of **Completing your tax return**.

Part B - Child-housekeeper

You cannot claim this tax offset if:

- your **adjusted taxable income (ATI)** for 2010-11 was more than \$150,000, or
- you had a spouse for all of 2010-11 and the combined ATI of you and your spouse was more than \$150,000, or
- you had a spouse for only part of the year and the sum of the following is more than \$150,000
 - your ATI
 - your spouse's ATI for 2010-11 *multiplied by* the number of days they were your spouse *divided by* 365, or

- you had a child-housekeeper for the whole year and their ATI for 2010-11 was \$7,734 or more, or \$9,210 or more if you had another dependent child or student.

You can [work out the ATI](#) for you and your spouse or go to **www.ato.gov.au/calculators** to use the online [income test calculator](#).

You can claim a child-housekeeper tax offset for any period in 2010-11 that you had a child-housekeeper and you met **all** these conditions:

- you maintained your child-housekeeper; see [What is maintaining a dependant?](#)
- your child-housekeeper was a resident; if you are not sure, read [Are you an Australian resident?](#)
- you were a resident at any time in 2010-11
- you were not eligible for a dependent spouse tax offset under part A
- you were not eligible for FTB Part B or were eligible for it only at the shared-care rate
- you were not receiving parental leave pay.

To work out your spouse's ATI for the period you can claim use [Worksheet 1 - Working out a person's ATI for the relevant period](#).

The maximum child-housekeeper tax offset you can claim is \$1,863, or \$2,232 if you had another dependent child or student.

If you are entitled to claim a child-housekeeper tax offset, go to [part B](#) of **Completing your tax return**.

Part C - Housekeeper

You cannot claim this tax offset if:

- your **adjusted taxable income (ATI)** for 2010-11 was more than \$150,000, or
- you had a spouse for all of 2010-11 and the combined ATI of you and your spouse was more than \$150,000, or
- you had a spouse for only part of the year and the sum of the following is more than \$150,000

- your ATI
- your spouse's ATI for 2010-11 *multiplied by* the number of days they were your spouse *divided by* 365.

You can work out the ATI for you and your spouse or go to **www.ato.gov.au/calculators** to use the online income test calculator.

A housekeeper is a person who worked **full time** keeping house for you and cared for:

- a child of yours under 21 years old, irrespective of the child's ATI
- any other child under 21 years old who was your dependant and whose ATI for the period you maintained them was less than the total of \$282 plus \$28.92 for each week you maintained them (to work out your child's **ATI for the period you can claim** go to Worksheet 1 - Working out a person's ATI for the relevant period)
- your invalid relative who was your dependant and for whom you can claim a dependant tax offset (if you are not sure, you will need to read question T10 Parent, spouse's parents or invalid relative in *TaxPack 2011 supplement*), or
- your spouse who received a disability support pension.

Keeping house means more than simply child-minding or performing domestic duties. It includes having some responsibility for the general running of the household.

You are eligible for the housekeeper tax offset for any period during which you had a housekeeper (who kept house for you wholly in Australia), provided you were an Australian resident at any time during 2010-11 and you:

- did not have a spouse and were **not**
 - entitled to claim a child-housekeeper tax offset under part B
 - eligible for FTB Part B or were eligible for it only at the shared-care rate, and
 - receiving parental leave pay

or

- had a spouse who received a disability support pension and you were **not** entitled to claim a child-housekeeper tax offset under part B

or

- had a spouse who did not receive a disability support pension, and
 - you were not entitled to claim a dependent spouse tax offset under part A or a child-housekeeper tax offset under part B
 - neither you nor your spouse were eligible for FTB Part B or were eligible for it only at the shared-care rate
 - neither you nor your spouse received parental leave pay, and
 - special circumstances applied; for example
 - your spouse deserted you and your children, and you did not enter into a relationship that resulted in you having a new spouse
 - you had a child with a severe mental disability who required constant attention
 - your spouse suffered from an extended mental illness and was medically certified as being unable to take part in the care of your children.

Where you consider that special circumstances applied, you will need to complete this item and provide additional information. Print SCHEDULE OF ADDITIONAL INFORMATION - ITEM T1 PART C on the top of a separate sheet of paper, print your name, address and tax file number and explain your situation. Attach your schedule to page 3 of your tax return. Print **X** in the **Yes** box at *Taxpayer's declaration* question **2a** on page 12 of your tax return. If we do not consider special circumstances applied, we will advise you.

The maximum housekeeper tax offset you can claim is \$1,863, or \$2,232 if you had more than one dependent child or student.

If you are entitled to claim a housekeeper tax offset, go to part C of **Completing your tax return**.

Completing your tax return

Part A - Dependent spouse

If you are eligible to claim the dependent spouse tax offset, use [worksheet 1](#) to work out the amount.

Step 1

Complete **worksheet 1**.

If you had more than one dependent spouse during the year you will need to go through the worksheet for each spouse.

Worksheet 1		
Working out your dependent spouse tax offset		
If you had a dependent spouse for the whole year and neither of you for FTB Part B or received parental leave pay at any time during the y \$2,286 at (d), then continue from there.		
If you had a dependent spouse for only part of the year and neither of you were eligible for FTB Part B during that period, work out the number of days you had a spouse and multiply this number by \$6.26. Write the amount at (a).		\$
If you or your spouse were eligible for FTB Part B or parental leave pay at any time during the year, for the period you had a dependent spouse, work out the number of days that neither of you were eligible for FTB Part B or received parental leave pay. Multiply this number by \$6.26. Write the amount at (b).		\$

<p>If you or your spouse were eligible for FTB Part B at a shared-care rate at any time during the year, work through (p) to (s) below for the period you had a dependent spouse. (If your FTB shared-care percentage changed during the year, work through (p) to (s) for each period it was different.)</p>		
<ul style="list-style-type: none"> Work out the number of days that you or your spouse were eligible for FTB Part B at a shared-care rate and write the answer at (p). 	(p)	
<ul style="list-style-type: none"> Multiply the number of days from (p) by \$6.26 and write the answer at (q). 	\$ (q)	
<ul style="list-style-type: none"> Take your FTB shared-care percentage away from 100% and write the answer at (r). 	% (r)	
<ul style="list-style-type: none"> Multiply the amount from (q) by the percentage from (r) and write the answer at (s). 	\$ (s)	
<p>Write the amount from (s) at (c). If your FTB shared-care percentage changed during the year, add up the amounts from (s) and write the total at (c).</p>		\$

<p>Add (a), (b) and (c). Write answer at (d).</p> <p>The amount at (d) is your maximum dependent spouse tax offset. It cannot be more than \$2,286.</p>		\$
<p>To calculate your spouse's ATI, you can <u>use the worksheets</u> or the online <u>income test calculator</u> at www.ato.gov.au/calculators</p> <p>If your spouse's ATI for the period you are claiming the spouse tax offset was less than \$286, the amount at (d) is your spouse tax offset. Write this amount at (f) and go to step 3.</p> <p>If your spouse's ATI was \$286 or more for the period you are claiming a spouse tax offset, deduct \$282 from their ATI and divide the remaining amount by 4. Round this down to the nearest dollar.</p> <p>Write the answer at (e).</p>		\$
<p>Take (e) away from (d). Write the answer at (f).</p>		\$

Step 2

If you also want to claim:

- a child-housekeeper tax offset, go to part B of **Answering this question**, or
- a housekeeper tax offset, go to part C of **Answering this question**.

Otherwise read on.

Step 3

The amount at (f) is your dependent spouse tax offset. Write this amount at **P** item **T1** on page 5 of your tax return.

Step 4

Print **S** in the **CLAIM TYPE** box at the right of **P** item **T1**.

Step 5

Complete the income test items **IT1** to **IT7** on page 8 of your tax return.

Step 6

Complete **Spouse details - married or de facto** on pages 9-11 of your tax return. You need to complete **O, S, Q, A, B, C, D** and **E** on page 10.

Part B - Child-housekeeper

If you are eligible to claim a child-housekeeper tax offset, use **worksheet 2** to work out your tax offset amount.

Step 1

To claim the child-housekeeper tax offset, you must first determine which column to use in **worksheet 2**.

If you had a child (other than the child-housekeeper) under 21 years old, or a student under 25 years old, whose ATI for the period you maintained them was equal to or more than the total of \$282 plus \$28.92 for each week you maintained them, do not count them as a dependant when completing this worksheet.

If your child-housekeeper's ATI was less than \$9,210 and you had:

- another dependent child under 21 years old, or
- a student under 25 years old, and
- their ATI for the period you maintained them was less than the total of \$284 plus \$28.92 for each week you maintained them, use **column 2**.

If the dependent child or student (who is not your child-housekeeper) was your dependant for only part of 2010-11, and their ATI was less

than the total of \$282 plus \$28.92 for each week you maintained them, use the **column 2** daily rate. Otherwise, use the **column 1** daily rate.

If you did not have another dependent child under 21 years old or student under 25 years old, and your child-housekeeper's ATI was

- less than \$7,734, use **column 1**
- \$7,734 or more, you don't qualify for the tax offset.

Worksheet 2	
Working out your child-housekeeper tax offset	
	Column 1
	No other dependent child or student
Daily rate	\$5.10
<p>If you had a child-housekeeper for the whole year and you were not eligible for FTB Part B and did not receive parental leave pay at any time during the year, write:</p> <ul style="list-style-type: none">• \$1,863 at (d) if you use column 1, or• \$2,232 at (d) if you use column 2. <p>Then continue from there.</p>	
<p>If you had a child-housekeeper for only part of the year and you were not eligible for FTB Part B and did not receive parental leave pay at any time during that period:</p> <ul style="list-style-type: none">• work out how many days during the year you had a child-housekeeper• multiply this number by the appropriate daily rate• write the answer at (a) in the appropriate column.	\$ (a)
<p>If you were eligible for FTB Part B or received parental leave pay at any time during the year:</p>	\$ (b)

<ul style="list-style-type: none"> • work out how many days during the year you had a child-housekeeper and you were not eligible for FTB Part B or did not receive parental leave pay • multiply this number by the appropriate daily rate • write the answer at (b) in the appropriate column. 	
<p>If you were eligible for FTB Part B at the shared-care rate at any time during the year, work through (p) to (s) below. (If your FTB shared-care percentage changed during the year, work through (p) to (s) for each period it was different.)</p>	
<ul style="list-style-type: none"> • Work out the number of days you had a child-housekeeper and you were eligible for FTB Part B at the shared-care rate. Write the answer at (p). 	(p)
<ul style="list-style-type: none"> • Multiply the number of days from (p) by the appropriate daily rate. Write the answer at (q). 	\$ (q)
<ul style="list-style-type: none"> • Take your FTB shared-care 	% (r)

percentage away from 100% and write the answer at (r).		
<ul style="list-style-type: none"> Multiply the amount from (q) by the percentage from (r) and write the answer at (s). 	\$ (s)	
Write the amount from (s) at (c) in the appropriate column. If your FTB shared-care percentage changed during the year, add up the amounts from (s) and write the total at (c).		\$ (c)
<p>Add (a), (b) and (c). Write the answer at (d).</p> <p>The amount at (d) is your maximum child-housekeeper tax offset. It cannot be more than \$1,863 if it is in column 1 or \$2,232 if it is in column 2.</p>		\$ (d)
<p>Write your child-housekeeper's ATI for the period you are claiming a child-housekeeper tax offset at V item T1 on page 5 of your tax return. Do not show cents. If your child-housekeeper did not have any ATI, write 0.</p> <p>If your child-housekeeper's ATI was less than \$286, the amount at (d) is your</p>		\$ (e)

<p>child-housekeeper tax offset. Write this amount at P item T1 on page 5 of your tax return, then go to step 4.</p> <p>If your child-housekeeper's ATI was \$286 or more for the period you maintained them then deduct \$282 from their ATI for the period you are claiming a child-housekeeper's tax offset and divide the amount remaining by 4.</p> <p>Write the answer in the appropriate column at (e).</p>	
Take (e) away from (d). Write the answer in the appropriate column at (f).	\$ (f)

Step 2

If you also want to claim a housekeeper tax offset go to **part C** of **Answering this question**.

Otherwise add the amount at (f) from **worksheet 2** to the amount at (f) from **worksheet 1** if you used it.

Step 3

Write your total from step 2 at **P** item **T1** on page 5 of your tax return.

Step 4

Print one of the following code letters in the **CLAIMTYPE** box at the right of **P** item **T1**:

W	if you are claiming a child-housekeeper tax offset and you had no dependent child or student (you used column 1)
H	if you are claiming a child-housekeeper tax offset and you had a dependent child or student (you used column 2)
C	if you are claiming a spouse tax offset for part of the year and a child-housekeeper tax offset for another part of the year.

Step 5

Complete the income test items **IT1** to **IT7** on page 8 of your tax return. If you had a spouse, you must also complete **Spouse details - married or de facto** on pages 9-10 of your tax return. You need to complete **O, S, Q, A, B, C, D** and **E** on page 10.

Part C - Housekeeper

If you are eligible to claim a housekeeper tax offset, use **worksheet 3** to work out your tax offset amount.

Step 1

Complete **worksheet 3**.

To claim the housekeeper tax offset, you must first determine which column to use in **worksheet 3**.

Worksheet 3	
Working out your housekeeper tax offset	
	Column 1
	No dependent child or student
Daily rate	\$5.10
<p>If you are eligible for a housekeeper tax offset for the whole year and</p> <ul style="list-style-type: none">neither you nor your spouse (during any period they were your spouse) received a disability support pension at any time during the year <p>or</p> <ul style="list-style-type: none">your spouse received a disability support pension for the whole year <p>then write \$1,863 at (d) if you use column 1 or \$2,232 if you use column 2. Then continue from there.</p>	
<p>If you are eligible for a housekeeper tax offset for the whole year but do not meet the above rules:</p> <ul style="list-style-type: none">work out the total number of days during the year that	\$ (a)

<ul style="list-style-type: none"> – neither you nor your spouse (during any period they were your spouse) was eligible for FTB Part B or received parental leave pay, or – either you or your spouse (during any period they were your spouse) was eligible for FTB Part B or received parental leave pay, but your spouse was receiving a disability support pension <ul style="list-style-type: none"> • multiply the number of days by the appropriate daily rate • write the answer at (a) in the appropriate column. 	
<p>If you are eligible for a housekeeper tax offset for only part of the year:</p> <ul style="list-style-type: none"> • work out the number of days during that part of the year that: <ul style="list-style-type: none"> – neither you nor your spouse (during any period they were your spouse) was eligible for FTB Part B, or – neither you nor your spouse (during any period they were your spouse) received parental leave pay, or – either you or your spouse (during any period they were your spouse) was eligible for FTB Part B or received parental leave pay, but your spouse was receiving a disability support pension • multiply the number of days by the appropriate daily rate • write the answer at (b) in the appropriate column. 	<div>\$</div> <div>(b)</div>

<p>If, for any period during the year, you did not have a spouse receiving a disability support pension and you are eligible for a housekeeper tax offset, work through (p) to (s) below. (If your FTB shared-care percentage changed during the year, work through (p) to (s) for each period it was different).</p>		
<ul style="list-style-type: none"> Work out the number of days during that period that you or your spouse (during any period they were your spouse) was eligible for FTB Part B at a shared-care rate. Write the answer at (p). 	(p)	
<ul style="list-style-type: none"> Multiply the number of days from (p) by the appropriate daily rate. Write the answer at (q). 	\$ (q)	
<ul style="list-style-type: none"> Take your FTB shared-care percentage 	% (r)	

away from 100% and write the answer at (r).		
<ul style="list-style-type: none"> Multiply the amount from (q) by the percentage from (r) and write the answer at (s). 	\$ (s)	
Write the amount from (s) at (c) in the appropriate column. If your FTB shared-care percentage changed during the year, add up the amounts from (s) and write the total at (c).		\$ (c)
<p>Add (a), (b) and (c). Write the answer at (d).</p> <p>The amount at (d) is your housekeeper tax offset. It cannot be more than \$1,863 in column 1 or \$2,232 in column 2.</p>		\$ (d)

Step 2

Add the amount at (d) from **worksheet 3** to the amounts at (f) from **worksheets 1** and **2** if you used them.

Write your total at **P** item **T1** on page 5 of your tax return.

Step 3

Print one of the following code letters in the **CLAIMTYPE** box at the right of **P** item **T1**:

W	if you are claiming a housekeeper tax offset and you had no dependent child or student
H	if you are claiming a housekeeper tax offset and you had a dependent child or student
C	if you are claiming a dependent spouse tax offset for part of the year and a child-housekeeper tax offset for another part of the year or a spouse tax offset and a housekeeper tax offset for the same period.

Step 4

Complete the income test items **IT1** to **IT7** on page 8 of your tax return. If you had a spouse, you must also complete **Spouse details - married or de facto** on pages 9-10 of your tax return. You need to complete **O**, **S**, **Q**, **A**, **B**, **C**, **D** and **E** on page 10.

Where to go next

- go to question [T2 Senior Australians \(includes age pensioners, service pensioners and self-funded retirees\)](#).
- return to main menu [Tax return for individuals instructions](#), or
- go back to [Taxable income or loss](#).

25477

Rebate income 2011

Work out your rebate income and if you're eligible for the seniors and pensioners tax offset at question T1.

29 June 2011

We work out what we call 'rebate income' to determine whether you are eligible for either the senior Australians tax offset at T2 - Senior Australians (includes age pensioners, service pensioners and self-funded retirees) or pensioner tax offset at T3 - Pensioner.

Your rebate income is the total amount of your taxable income plus the following amounts if they apply to you:

- adjusted fringe benefits amount (total reportable fringe benefit amounts multiplied by 0.535)
- reportable employer superannuation contributions
- deductible personal superannuation contributions
- your net financial investment loss (the amount by which your deductions attributable to financial investments exceeded your total financial investment income)
- your net rental property loss (the amount by which your deductions attributable to rental property exceeded your rental property income).

To work out your rebate income, use the following worksheet.

Worksheet 1		
Working out your rebate income		
Your taxable income (from TAXABLE INCOME OR LOSS on page 4 of your tax return) If your taxable income is a loss, write 0 at (a).	\$	(a)
Your reportable employer superannuation contributions (from T item IT2 on page 8 of your tax return)	\$	(b)
Your deductible personal superannuation contributions	\$	(c)

(from H item D13 on page 15 of your tax return)		
Your net financial investment loss (from X item IT5 on page 8 of your tax return)	\$	(d)
Your net rental property loss (from Y item IT6 on page 8 of your tax return)	\$	(e)
Your adjusted fringe benefits amount Multiply the amount from W item IT1 on page 8 of your tax return by 0.535. Round down to the nearest dollar.	\$	(f)
Add up all the amounts from (a) to (f). This is your 'rebate income'.	\$	(g)

Where to go next

- go to question [T2 Senior Australians \(includes age pensioners, service pensioners and self-funded retirees\)](#)
- go to question [T3 Pensioners](#)
- go to question [T4 Australian superannuation income stream](#)
- return to main menu [Tax return for individuals instructions](#), or
- go back to question [T1 Spouse \(without dependent child or student\), child-housekeeper or housekeeper.](#)

25478

About question T2

Complete this question if you meet the conditions to claim the seniors and pensioners tax offset.

29 June 2011

 Question T2 image from Tax return for individuals form.

You can claim the senior Australians tax offset only if you meet all the following conditions relating to:

- age
- income
- eligibility for Australian Government pensions.

If you have a spouse you also need to work out whether they were eligible. See the definition of spouse in [Special circumstances and glossary](#).

You cannot claim this tax offset if you were in jail for the whole of 2010-11.

You may not get the senior Australians tax offset even if you meet all the eligibility conditions as the amount of the tax offset is based on your individual rebate income, not your combined rebate income if you have a spouse.

Work out your rebate income at [Rebate income](#).

Answering this question

Condition 1 - Age

You meet this condition if, on 30 June 2011, you were:

- a male
 - aged 65 years old or older, or
 - veteran or war widower aged 60 years old or older who met the veteran pension age test
- or
- a female

- aged 64 years old or older, or
- veteran or war widow aged 59 years old or older who met the veteran pension age test.

To find out whether you meet the veteran pension age test, go to [Veteran pension age test](#) below.

Do you meet condition 1?	
Yes	Read condition 2 .
No	<p>You are not eligible for this tax offset.</p> <ul style="list-style-type: none"> • Go to question T3 Pensioner, or • return to main menu Tax return for individuals instructions.

Condition 2 - Income

You meet this condition if **any** of the following applied to you in 2010-11.

- You did not have a spouse, and your rebate income was less than **\$48,525**.
- You had a spouse, and the combined rebate income* of you and your spouse was less than **\$78,992**.
- At any time during the year you and your spouse had to live apart due to illness or because one of you was in a nursing home, and the combined rebate income * of you and your spouse was less than **\$91,840**.

***Combined rebate income** includes your spouse's share of any net income of a trust which the trustee was liable to pay tax on because your spouse was under a legal disability (such as under 18 years old on 30 June 2011), was a bankrupt or was a person who was declared legally incapable because of a mental condition.

Do you meet condition 2?	
Yes	Read condition 3 .
No	<p>You are not eligible for this tax offset.</p> <ul style="list-style-type: none"> • Go to question T3 Pensioner, or • return to main menu Tax return for individuals instructions.

Condition 3 - Eligibility for Australian Government pensions and similar payments

You meet this condition if **any** of the following three criteria applied to you in 2010-11.

A. You received an Australian Government age pension from Centrelink, or a pension, allowance or benefit from the Department of Veterans' Affairs (DVA) at any time during 2010-11.

If **A** applied to you, you meet this condition. Go to **Completing your tax return** below. Otherwise, read on.

B. You were eligible for an Australian Government age pension during 2010-11 but did not receive it because you did not make a claim or because of the application of the income test or the assets test, and you satisfy one of the following:

- you have been an Australian resident for age-pension purposes for either 10 continuous years or for more than 10 years of which five years were continuous
- you have a qualifying residence exemption (because you arrived in Australia as a refugee or under a special humanitarian program)
- you are a woman who was widowed in Australia (at a time when both you and your late partner were Australian residents), you have made a claim for the age pension and you had two years residence immediately before your claim

- you received a widow B pension, widow allowance, mature age allowance or partner allowance immediately before turning age-pension age
- you would qualify under an international social security agreement.

If **B** applied to you, you meet this condition. **Go to Completing your tax return** below. Otherwise, read on.

If you need assistance in determining your eligibility for a social security or Centrelink pension only, phone Centrelink on **13 23 00**. For all other enquiries about the senior Australians tax offset, phone **13 28 61**.

C. You were eligible for a pension, allowance or benefit from Veterans' Affairs during 2010-11 but did not receive it because you did not make a claim or because of the application of the income test or the assets test, and you satisfy either of the following:

- you are a veteran with eligible war service, or
- you are a Commonwealth veteran, allied veteran or allied mariner with qualifying service.

If you are not sure whether you were eligible for a payment, you can get further information from the DVA website at www.dva.gov.au or by phoning Veterans' Affairs on **13 32 54**.

If **C** applied to you, you meet this condition.

Do you meet condition 3?	
Yes	Go to Completing your tax return below.
No	<p>You are not eligible for this tax offset.</p> <ul style="list-style-type: none"> • Go to question T3 Pensioner, or • return to main menu Tax return for individuals instructions.

Completing your tax return

Step 1

Work out which of the following code letters applied to your circumstances.

Senior Australians tax offset code letters	
If at any time during 2010-11, you were single, separated or widowed, use	A
If you and your spouse <ul style="list-style-type: none">were both eligible for the senior Australians tax offset, andat any time in 2010-11 'had to live apart due to illness' or lived apart because one of you was in a nursing home, use	B
If your spouse was not eligible for the senior Australians tax offset, and at any time in 2010-11 you and your spouse lived apart due to illness or because one of you was in a nursing home, use	C
If you and your spouse lived together and you were both eligible for the senior Australians tax offset, use	D
If you and your spouse lived together, but your spouse was not eligible for the senior Australians tax offset, use	E

'Had to live apart due to illness' refers to situations where you and your spouse did not live together because one or both of you have an indefinitely continuing illness or infirmity and, as a result your combined living expenses were increased.

If only one code letter above applied, go to step 2.

If **more than one** code letter applied, use the first code letter in the list on the previous page that applied to you, **except** as shown in the following table.

If both A and B applied, and your spouse's rebate income	B
--	----------

was less than \$18,334, use	
If both A and C applied, and your spouse received an Australian Government payment listed at question <u>6 Australian Government pensions and allowances</u> , and your spouse's rebate income was less than \$22,734 use	C
If both A and D applied, and your spouse's rebate income was less than \$12,494, use	D
If both A and E applied, and your spouse received an Australian Government payment listed at question <u>6 Australian Government pensions and allowances</u> , and your spouse's rebate income was less than \$15,167 use	E

Step 2

Print your code letter in the **TAX OFFSET CODE** box at **N** item **T2**.

We will work out the amount of your tax offset.

Step 3

If you or your spouse was a veteran, war widow or war widower, read on and work out your **veteran code letter**; otherwise, go to step 4.

Select the code letter that applies to you.

Veteran code letters	
If you were a veteran, war widow or war widower, use	V
If your spouse was a veteran, war widow or war widower, use	W
If both V and W apply to you, use	X

If a veteran code letter applies to you, print the code letter in the **VETERAN CODE** box at **Y** item **T2**. Otherwise, leave it blank.

Step 4

You must read about income tests and, where applicable, complete income tests items **IT1**, **IT2**, **IT5** and **IT6** and for deductible personal

superannuation contributions item **D12** on the *Tax return for individuals (supplementary section) 2011*.

Step 5

If your senior Australians tax offset code letter is **A** go to question **T4** Australian superannuation income stream.

If your senior Australians tax offset code letter is **B, C, D** or **E**, you must complete **Spouse details - married or de facto** on pages 9-11 of your tax return.

Any unused portion of tax offset

If you are eligible for the senior Australians tax offset and your spouse is eligible for either the senior Australians tax offset or pensioner tax offset, and one of you does not fully use your tax offset, the unused portion may be available for transfer to the other person. We will work this out automatically and transfer any entitlement.

Veteran pension age test

You meet the veteran pension age test if one of the following applied to you and you were eligible for a pension, allowance or benefit under the *Veterans' Entitlements Act 1986*.

- You have eligible war service, that is, service in World War II or operational service as a member of the Australian Defence Force.
- You are a Commonwealth or allied veteran who served in a conflict in which the Australian Defence Force was engaged during a period of hostilities that is, World War II, or in Korea, Malaya, Indonesia or Vietnam.
- You are an Australian or allied mariner who served during World War II.
- You are the war widow or widower of a former member of the Australian Defence Force.

'Pension, allowance or benefit' includes:

- disability pension
- service pension, and
- white or gold Repatriation health cards for treatment entitlements.

If you are not sure if you meet the veteran pension age test, visit the DVA website at www.dva.gov.au or phone Veterans' Affairs on **13 32 54**.

Where to go next


- go to question [T3 Pensioner](#)
- return to main menu [Tax return for individuals instructions](#)
- go back to question [T1 Spouse \(without dependent child or student\), child-housekeeper or housekeeper](#)

25479

About question T3

Provides information which will help you complete this question on your tax return.

29 June 2011

 Question T3 image from tax return for individuals form.

Did you show an Australian Government pension or allowance at item 6 on your tax return?

No

- go to question [T4 Australian superannuation income stream](#), or
- return to main menu [Tax return for individuals instructions](#).

Yes	Read below.
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If you have already claimed a tax offset at item **T2**, go to question **T4 Australian superannuation income stream**, because you cannot also claim this tax offset.

Completing your tax return

Step 1

Work out which of the following code letters applied to your circumstances. The code letter tells us how to work out the amount of your tax offset.

Pensioner tax offset code letters		
If, at any time during 2010-11, while you were receiving an Australian Government pension or allowance listed at question 6 from:		
	Centrelink	Veterans' Affairs
<ul style="list-style-type: none"> you were single, widowed or separated, use 	S	L
<ul style="list-style-type: none"> you and your spouse lived together, use 	P	M
<ul style="list-style-type: none"> you and your spouse 'had to live apart due to illness' or you lived apart because one of you was in a nursing home, use 	I	A

If more than one code letter applies.

If both P and I apply to you, use	I
---	----------

If S , P and I all apply to you, use	J
If both S and I apply to you, use	J
If both S and P apply to you, use	Q
If both M and A apply to you, use	A
If L , M and A all apply to you, use	K
If both L and A apply to you, use	K
If both L and M apply to you, use	R

'Had to live apart due to illness' refers to situations in which you were paid a pension at a higher rate because you and your spouse did not live together in your home due to illness. If you are not sure, check with Centrelink or the Department of Veterans' Affairs.

If only **one** code letter above applied, go to step 2.

Step 2

Print your pensioner tax offset code letter in the **TAX OFFSET CODE** box at **O** item **T3**.

We will work out the amount of your tax offset.

Step 3

If you or your spouse were a veteran, war widow or war widower, you need to work out your **veteran code**. Select the code letter that applies to you.

Veteran code letters	
If you were a veteran, war widow or war widower, use	V
If your spouse was a veteran, war widow or war widower, use	W
If both V and W apply to you, use	X

If a veteran code letter applies to you, print the code letter in the **VETERAN CODE** box at **T** item **T3**. Otherwise, leave it blank.

Step 4

If your pensioner tax offset code letter was **S** or **L**, you must read Income tests and, where applicable, complete **Income tests** items **IT1**, **IT2**, **IT5** and **IT6**. Then go to question T4 Australian superannuation income stream.

Step 5

If your pensioner tax offset code letter was **P**, **Q**, **I**, **J**, **M**, **R**, **A** or **K**, you must read Income tests and, where applicable, complete **Income tests** items **IT1**, **IT2**, **IT5** and **IT6**. Then read and complete Spouse details - married or de facto on pages 9-11 of your tax return.

Any unused portion of tax offset

If you are eligible for the pensioner tax offset and your spouse is eligible for either the senior Australians tax offset or pensioner tax offset, and one of you does not fully use your tax offset, the unused portion may be available for transfer to the other person. We will work this out automatically and transfer any entitlement.

Where to go next


- go to question T4 Australian superannuation income stream
- return to main menu Tax return for individuals instructions, or
- go back to question T2 Senior Australians (includes age pensioners, service pensioners and self-funded retirees).

25480

About question T4

Complete this question to help you work out if you're eligible for this tax offset and the amount you can claim.

29 June 2011

 Question T4 image from tax return for individuals form.

If you have shown income from an Australian superannuation income stream at item **7** on your tax return, you may be entitled to a tax offset equal to:

- 15% of the taxed element, or
- 10% of the untaxed element of your superannuation income stream benefit.

The tax offset amount will be shown on your *PAYG payment summary - superannuation income stream*.

You are not entitled to a tax offset for the taxed element of any superannuation income stream you received before you turned 55 years old unless the superannuation income stream was either:

- a disability superannuation benefit, or
- a death benefit income stream.

You are not entitled to a tax offset for the untaxed element of any superannuation income stream received before you turned 60 years old unless the superannuation income stream is a death benefit income stream and the deceased died after they turned 60 years old

Did you receive an Australian superannuation income stream shown on a PAYG payment summary - superannuation income stream?

No

- go to question [T5 Private health insurance](#) , or
- return to main menu [Tax return for individuals instructions](#).

Yes	Read below.
-----	-------------

Answering this question

You will need your *PAYG payment summary - superannuation income stream* which should show the amount of the tax offset.

Contact your payer if you:

- did not receive a payment summary or you lost your payment summary
- think you qualify for this tax offset and the payment summary does not show it
- disagree with the amount shown on your payment summary.

Completing your tax return

Step 1

Add up the tax offsets that are either shown on a superannuation income stream payment summary or worked out by you.

Step 2

Write the total at **S** item **T4**.

More information

For more information on how this tax offset is worked out, see [Special circumstances and glossary](#).

Where to go next


- go to question [T5 Private health insurance](#)
- return to main menu [Tax return for individuals instructions](#), or
- go back to question [T3 Pensioner](#).

25481

About question T6

Provides definitions which will help you determine whether you are eligible for this tax offset.

29 June 2011

 Question T6 image from tax return for individuals form.

You may be eligible for the education tax refund (ETR) if you, or your partner, incurred eligible education expenses between 1 July 2010 and 30 June 2011 for the primary or secondary school studies (at school, home or TAFE) of:

- a child, or
- yourself, if you were an independent student under 25 years old undertaking primary or secondary studies.

For the purpose of this question, your partner is a person of the same or opposite sex:

- with whom you are legally married, or in a marriage-like relationship
- from whom you are not permanently separated, and
- who is not blood-related, related by adoption or under the age of consent.

You incur an expense in the income year when:

- you receive a bill or invoice for an expense that you are liable for and must pay (even if you don't pay it until after the end of the year), or
- you do not receive a bill or invoice but you are charged and you pay for the expense.

You can claim carry-forward excess eligible education expenses from last year only if you are eligible for the ETR in respect of eligible education expenses incurred this year.

For you to be eligible to claim the ETR for an expense for a student, the expense must be an eligible education expense, and when the expense was incurred:

- you must have met one of the four conditions below, and
- the student must have met the schooling requirement.

See:

- [eligible education expenses](#)
- [schooling requirement](#)
- below for information on the four conditions.

Do you want to claim the ETR?	
No	<ul style="list-style-type: none">• go to question T7 Superannuation contributions on behalf of your spouse, or• return to main menu Tax return for individuals instructions.
Yes	Read below.

You must meet one of the four following conditions for **each** student for whom you want to claim the ETR.

Condition 1: Receiving family tax benefit (FTB) Part A

On the day you or your partner incurred the expense in respect of the child, were you eligible to receive FTB Part A for that child?

If you are not sure whether you were eligible to receive FTB Part A for that child, contact the [Family Assistance Office](#) (FAO).

Yes	Go to Schooling requirement .
-----	---

No	Read condition 2: Receiving payments other than FTB.
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Condition 2: Receiving Payments other than FTB

You met this condition if, on the day you or your partner incurred the expense in respect of the child, that child was not your FTB child only because one of these payments was paid for the child *:

- a social security pension or benefit
- a Labour Market Program payment, or
- a prescribed educational scheme payment

Did you meet this condition?	
Yes	Go to <u>Schooling requirement</u> .
No	Read condition 3: Child stops school.

* These payments include:

- Youth Allowance
- disability support pension
- ABSTUDY living allowance
- payments under the Veterans' Children Education Scheme
- payments under the scheme to provide education and training under the *Military Rehabilitation and Compensation Act 2004*.

If you are not sure whether a payment for the child is one of these types of payment, contact the payer.

Condition 3: Child stops school

You can meet this condition for the child only if:

- on the day you or your partner incurred the expense in respect of the child, the child was 16 years or older and met the schooling requirement
- the child was not undertaking primary or secondary school studies on 30 June 2011, and
- you would have satisfied condition 1 or 2 for the child on the day the expense was incurred if the child had earned no income in the 2010-11 income year.

If all these criteria are satisfied the Commissioner will accept that you have met condition 3 when you or your partner incurred the expense.

Did you meet this condition?	
Yes	Go to Schooling requirement .
No	Read condition 4: independent student .

Condition 4: independent student

You met this condition if, on the day you incurred the expense, you were under 25 years old and:

- you were receiving a social security pension or benefit, a Labour Market Program payment or a prescribed educational scheme payment *
- you met the independence requirements for the payment
- you were an Australian resident (under the *Social Security Act 1991*) or a special category visa holder (under the *Migration Act 1958*)
- you were residing in Australia, and
- no one else, such as your parent or an approved care organisation, was entitled to the ETR for you.

Did you meet this condition?	
Yes	Go to Schooling requirement .

No	You are not eligible for this tax offset. Go to question <u>T7 Superannuation contributions on behalf of your spouse.</u>
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* These payments include:

- Youth Allowance
- disability support pension
- ABSTUDY living allowance
- payments under the Veterans' Children Education Scheme
- payments under the scheme to provide education and training under the *Military Rehabilitation and Compensation Act 2004*.

If you are not sure whether a payment for the child is one of these types of payment, contact the payer.

Schooling requirement

If the student was enrolled or registered in a primary or secondary school course (at school, home or TAFE) and attended that course, or received the home schooling, for at least one day:

- between 1 July 2010 and 31 December 2010, then they met the schooling requirement for every day in that period
- between 1 January 2011 and 30 June 2011, then they met the schooling requirement for every day in that period
- in each of those two six-month periods, then they met the schooling requirement for the whole year.

Primary or secondary school

If you are uncertain whether your child is registered in a primary or secondary course you need to contact your state or territory department of education.

Did the student meet the schooling requirement?

No	You are not eligible for this tax offset. Go to question <u>T7 Superannuation contributions on behalf of your spouse.</u>
Yes	Read below.

Education expenses

The following are **eligible education expenses** if they relate directly to the education of the student for whom you are claiming the ETR:

- laptops, home computers, repair and associated running costs
- computer-related equipment, such as printers, USB flash drives, as well as disability aids to assist in the use of computer equipment for students with special needs, repair and associated running costs
- home internet connection, including the costs of establishing and maintaining it
- computer software, for example, word processing, spreadsheet and presentation software
- school textbooks and other paper-based school learning material, including prescribed textbooks, associated learning materials, study guides and stationery
- tools of trade, such as tools required to complete a school-based apprenticeship.

The following are **not eligible expenses** for the ETR:

- school fees
- school uniform expenses
- student attendance at school excursions and camps
- tutoring costs
- sporting equipment
- musical instruments
- library book fees
- building levies
- school subject levies

- school photos
- donations
- tuckshop expenses
- waiting list fees
- transport
- membership fees
- computer games and consoles.

You cannot claim for an expense, or that part of an expense:

- that is tax deductible
- that is subject to another tax offset, or
- for which you received or are entitled to receive a reimbursement or payment under a Commonwealth benefit, grant or subsidy.

Were the expenses you want to claim eligible education expenses?	
Yes	Go to Answering this question below.
No	You are not eligible for this tax offset. Go to question <u>T7 Superannuation contributions on behalf of your spouse.</u>

Answering this question

Use the following steps and worksheets to calculate your ETR.

If you are an independent student go to [Completing worksheet 1.](#)

Before you can work out how much you can claim, you need to know whether you had an FTB agreed percentage or an FTB shared-care percentage for the child.

If both you and your partner met condition 2 or 3, you can make a written agreement with your partner stating which of you will claim the ETR. Otherwise, you will each have to claim half the ETR.

You have to calculate ETR if:

- you had an FTB shared-care or FTB agreed percentage that changed during the year
- you met condition 1 for a child during part of the income year and you met condition 2 or 3 for the same child during another part of the income year, or
- you and your partner met condition 2 or 3 unless
 - you had a written agreement that one of you would claim the ETR for every day in the year, or
 - you did not have a written agreement at all.

Completing worksheet 1

Complete worksheet 1 to work out the maximum ETR you can claim (your ETR limit).

If you were an independent student, use any column in the worksheet and disregard any instruction that relates to a child.

If you have more than five children for whom you want to claim the ETR, use a separate piece of paper to continue your calculations.

Step 1

For a student who attended secondary school on a day during 2010-11, write **\$794** at (a). For a student who attended only primary school during 2010-11, write **\$397** at (a).

Step 2

Write at (b), for each student, the number of **eligible days**, that is, days when:

- you met any of the four conditions above with respect to the student **and**
- the student met the schooling requirement.

If both of the above dot points are satisfied for the whole income year, write **365** at (b).

Step 3

- If you met condition 4, write **1** at (c).
- If you met condition 1 and had an FTB agreed percentage, write this percentage at (c) as a decimal (for example, write **0.65** not 65%).
- If both you and your partner met condition 2 or 3, and you do not have a written agreement with your partner, your agreed percentage is 50%. Write **0.5** at (c).
- Otherwise, your agreed percentage is 100%. Write **1** at (c).

Step 4

- If you met condition 4, write **1** at (d).
- If you and your partner **did not share the care** of the child with someone else, write **1** at (d).
- If you met condition 1, write your FTB shared-care percentage for the child at (d) as a decimal.
- If you met condition 2 or 3, work out the number of days that the child was with you and your partner during 20010-11 that were also eligible days (see step 2). Divide that number by the number of eligible days at (b) and write the answer at (d).

Worksheet 1						
Working out your ETR limit						
	Child 1	Child 2	Child 3	Child 4	Child 5	
Amount from step 1	\$	\$	\$	\$	\$	(a)
Number of eligible days						(b)
Agreed percentage						(c)
Shared-care						(d)

percentage						
Multiply (b), (c) and (d)						(e)
Divide (e) by 365 (round to two decimal places)						(f)
Multiply (a) by (f)	\$	\$	\$	\$	\$	(g)
Add up all the amounts at (g) and round up to the next dollar					\$	(h)

The amount at (h) is your ETR limit.

Work out the total eligible expenses you can claim ETR for

Eligible expenses are eligible education expenses you incurred at a time when:

- you met condition 1, 2, 3 or 4, and
- the student met the schooling requirement.

Step 5

If you were an independent student, add up all your eligible expenses and write the total at (p) in **worksheet 2**. Ignore rows (j) to (o). Write any excess eligible expenses carried forward from 2009-10 at (q) and complete (r) and (s) Go to step 7.

If you were single for the whole income year and you did not share the care of the child, add up all the eligible expenses that you incurred when you met condition 1, 2 or 3. Write the total at (p) in **worksheet 2**. Ignore rows (j) to (o). Write any excess eligible expenses carried forward from 2009-10 at (q) and complete (r) and (s). Go to step 7.

Otherwise, read on.

Step 6

Add up all the eligible expenses that you and your partner incurred when you met condition 1. Write the total at (j) in **worksheet 2**.

Write at (k) in **worksheet 2** your FTB agreed percentage from (c) in **worksheet 1**.

Add up and write at (m) in **worksheet 2** all the eligible expenses that you and your partner incurred when:

- you both met condition 2 or 3, and
- you did not have a written agreement with your partner identifying who would claim ETR.

Add up and write at (o) in **worksheet 2** all the eligible expenses that you and your partner incurred when:

- you both met condition 2 or 3, and
- you had a written agreement with your partner that you would claim the ETR.

Worksheet 2		
Working out the total expenses you can claim ETR for		
Your expenses under condition 1	\$	(j)
Your FTB agreed percentage		(k)
Multiply (j) by (k)	\$	(l)
Your expenses under condition 2 or 3 without a written agreement	\$	(m)
Divide (m) by 2	\$	(n)
Your expenses under condition 2 or 3 with a written agreement	\$	(o)
Add (l), (n) and (o)		(p)
Your excess eligible expenses carried forward from 2009-10		(q)

Add (p) and (q)		(r)
Divide (r) by 2 and round up to the next dollar		(s)

The amount at (s) is the maximum amount of eligible education expenses you may claim.

Work out the amount of your ETR

Step 7

Transfer the amount from (h) in **worksheet 1** or (s) in **worksheet 2**, whichever is less, to **L item T6**.

If you transferred the amount from (s) in **worksheet 2** to **L item T6**, go to step 9. Otherwise, read on.

Work out the excess eligible expenses you can carry forward to 2011-12

Step 8

Worksheet 3		
Working out the excess eligible expenses		
Transfer (s) from <u>worksheet 2</u>	\$	(s)
Transfer (h) from <u>worksheet 1</u>	\$	(h)
Take (h) away from (s)	\$	(t)
Multiply (t) by 2	\$	(u)

If the amount at (u) in **worksheet 3** is less than the amount at (p) in **worksheet 2**, then the amount at (u) is the amount you carry forward and include in your total eligible education expenses when working out your ETR for 2011-12, provided you are still eligible to claim ETR in that year. Keep a record of the amount at (u).

If the amount at (u) in **worksheet 3** is greater than the amount at (p) in **worksheet 2**, then the amount at (p) is the amount you carry forward and include in your total eligible education expenses when working out your ETR for 2011-12, provided you are still eligible to claim ETR in that year. Keep a record of the amount at (p).

Number of students

Step 9

Add up the number of primary school students you are claiming ETR for and write the answer at **W** item **T6**.

Step 10

Add up the number of secondary school students you are claiming ETR for and write the answer at **X** item **T6**.

Definition of FTB child

A child will be your 'FTB child' when:

- the following criteria are met, and
- the child is not prevented from being your FTB child by the negative test (see below)

There may be other situations in which a child will be your FTB child. If in doubt, contact the FAO.

Basic criteria

- The child must be in your care (see negative test).

The child must be:

- an Australian resident, or
 - a special category visa holder residing in Australia, or
 - living with you and you must be an Australian resident or a special category visa holder.
-
- The child, or someone on their behalf, must not receive any social security pension or benefit or Labour Market Program payment for

the child.

- The child must be under 25 years old.

The child either:

- must not be your partner, or
- if the child is under 16 years old, the child would not be your partner even if they were over the age of consent in your state or territory.

Contact the FAO about the following situations when a child might still be your FTB child:

- The child is taken out of your care without your consent.
- You or the child is not in Australia.
- The child is under 18 years old and from another relationship of your partner.

Age-based criteria

If the **child is under 18 years old**, one of the following criteria must be met:

- You are legally responsible (or jointly legally responsible with another person) for the day-to-day care, welfare and development of the child.
- You are a person with whom the child is supposed to live or spend time under a family law order, registered parenting plan or parenting plan that is in force for the child.
- The child is not in the care of anyone legally responsible for their day-to-day care, welfare and development.

If the **child is 5 years old or older and under 16 years old**, and they are not studying full time or engaged in a course of primary education, their adjusted taxable income (ATI) must be less than \$13,010.

If the child is **16 years old or older and under 21 years old**:

- their ATI must be less than \$13,010
- the child, or someone on their behalf, must not receive any payments under a prescribed educational scheme for the child, and

- for the purposes of the education tax refund, the child must also from 1 January 2011:
- have completed the final year of secondary school or an equivalent qualification, or
- be undertaking full-time study in an approved course that, in the opinion of the FAO, will assist or allow the child to complete the final year of school or an equivalent qualification.

If the child is **21 years old or older and under 25 years old**:

- the child must be undertaking full time study
- their ATI must be less than \$13,010, and
- the child, or someone on their behalf, must not receive any payments under a prescribed educational scheme for the child.

For an explanation of ATI and its components, go to the [Family assistance guide](#)

The negative test

If you satisfy the criteria above for a child on a day, that child is your 'FTB child' on that day unless **all** of the following conditions apply on that day:

- the child is also an FTB child of one or more other person with whom you share the care of the child
- you made a claim for FTB in respect of the child for all or part of the income year
- you are not the partner of someone in respect of whom the child is an FTB child, and
- the FAO has determined that you care for the child for less than 35% of the time.

If all the conditions above apply, the child is not your 'FTB child'.

Where to go next

- go to question [T7 Superannuation contributions on behalf of your spouse](#)

- return to main menu [Tax return for individuals instructions](#), or
- go back to question [T5 Private health insurance](#).

25483

About this question

Complete this question if you had tax offsets you need to complete in the supplementary section of the tax return.

29 June 2011

You need to use *TaxPack 2011 supplement* if you were entitled to any of the following tax offsets:

- tax offset for superannuation contributions on behalf of your spouse
- tax offset for living in a remote or isolated area of Australia
- tax offset for serving overseas as a member of the Australian Defence Force or a United Nations armed force
- tax offset for net medical expenses over the threshold amount
- tax offset for maintenance of your parent, spouse's parent or invalid relative
- landcare and water facility tax offset brought forward from an earlier year
- mature age worker tax offset
- entrepreneurs tax offset
- tax offset for interest from the land transport facilities tax offset scheme or infrastructure borrowings scheme
- tax offset for performing work or services in the Joint Petroleum Development Area (JPDA)
- foreign income tax offset, which you claimed at item **20**.

Were you entitled to any of the above tax offsets?	
No	<ul style="list-style-type: none">• go to Total tax offsets, or• return to main menu Tax return for individuals instructions.
Yes	Read below.

Answering this question

You can find the *Tax return for individuals (supplementary section) 2011* at the back of *TaxPack 2011 supplement*. If you don't have a copy of this supplement, you can get one from most newsagents during the lodgment period (1 July to 31 October 2011). Copies are also available all year from our Publications Distribution Service and shopfronts.

Completing your tax return

Step 1

Complete the details at the top of page 13 on your *Tax return for individuals (supplementary section) 2011*. Use *TaxPack 2011 supplement* to complete the **TAX OFFSETS** section on page 16 of your tax return (supplementary section).

Step 2

Transfer the amount you wrote at **TOTAL SUPPLEMENT TAX OFFSETS** on page 16 of your tax return (supplementary section) to **T** on page 5 of your tax return.

Completing your tax return

Complete this question with the total tax offsets in your tax return.

29 June 2011

Step 1

Check that you have claimed all the tax offsets you are eligible for.

Step 2

Add up all the tax offset amounts you claimed at items **T1, T4, T5, T6** and **T** on your tax return. (We work out the amounts at items **T2** and **T3** automatically.)

Step 3

Write the total amount at **U TOTAL TAX OFFSETS** on page 5 of your tax return.

Mature age worker tax offset

If you were an Australian resident 55 years old or older on 30 June 2011 and you have received certain income from working, you may be eligible for the mature age worker tax offset.

If you have net income from working as a result of amounts that you show at items in the supplementary section of the tax return, you will need to complete item T12 Net income from working - supplementary section so we can work out your mature age worker tax offset entitlement.

Where to go next

- go to [Adjustments that you show on the supplementary section of the tax return](#)
- return to main menu [Tax return for individuals instructions](#)

- go back to [Tax offsets that you show on the supplementary section of the tax return](#)

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Completing your tax return

Instructions for completing adjustments in the supplementary tax return.

29 June 2011

Did you receive a distribution during 2010-11 on which family trust distribution tax has been paid?

Yes

- read question [A4 Amount on which family trust distribution tax has been paid](#) You may be entitled to an adjustment, or
- return to main menu [Tax return for individuals instructions](#).

No

Read below.

Did you make a payment to us more than 14 days before the due date for payment?

Yes

- read question [C1 Credit for interest on early payments](#) You may be able to claim credit for interest on early

	<p>payments, or</p> <ul style="list-style-type: none"> • return to main menu Tax return for individuals instructions.
No	Go to Private health insurance policy details .

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If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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