



Education tax refund – what you need to know

Information about the education tax refund – who is eligible, what expenses can be claimed and how to claim.

Last updated 8 February 2019

The Government announced in the 2012 Budget that the education tax refund (ETR) would be replaced by a new payment called the Schoolkids Bonus. You cannot claim the ETR for expenses incurred in 2011-12, or any excess eligible expenses you carried forward from the previous year.

Transitional arrangements provide for DHS to make a one-off payment to eligible families in June 2012. From 1 January 2013, you may be eligible for the Schoolkids Bonus.

The Schoolkids Bonus stopped in July 2016.

Introduction

The following information can only be used to help you claim the education tax refund for the 2010-11 and earlier years.

The education tax refund (ETR) helps eligible families and independent students meet the cost of primary and secondary school education.

You can claim the ETR for education expenses you incur while your child attends primary or secondary school.

Families and approved care organisations can claim up to 50% of their eligible educational expenses if either of the following apply:

- they were entitled to receive [Family tax benefit \(FTB\) Part A](#) for the child

- a payment was made for the child that stopped them from receiving FTB Part A for that child.

Independent students may also be eligible to claim the ETR.

For the period 1 July 2010 to 30 June 2011, you can claim up to:

- \$794 for each eligible child in primary school - that is, a refund of \$397
- \$1,588 for each eligible child in secondary school - that is, a refund of \$794

Who is eligible



Check to see if you are eligible to claim an ETR for the period 1 July 2010 to 30 June 2011

Eligible education expenses



Check that your education expense is eligible.

How much you can claim



The ETR is 50% of eligible education expenses you incurred.

Claiming the ETR in your tax return



If you have determined you are eligible to claim and you have to lodge a tax return.

Claiming the ETR if you do not have to lodge a tax return



If you have determined that you are eligible to claim but you do not have to lodge a 2011 tax return.

More information



More information about education tax refunds.

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Who is eligible

Check to see if you are eligible to claim an ETR for the period 1 July 2010 to 30 June 2011

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You are eligible to claim an ETR for the period 1 July 2010 to 30 June 2011 if:

- you had eligible education expenses for a child
- the child was in primary or secondary school
- one of the following applied
 - you were entitled to receive FTB Part A for the child, which means you must have [lodged a claim for family tax benefit \(FTB\) Part A](#) for the child and had your claim approved by Services Australia
 - a payment was made for the child that stopped you from receiving FTB Part A for that child
 - your child stopped full-time school during the year and received enough income to stop you receiving FTB Part A.

If you are an [independent student](#) attending secondary school or a secondary course of education provided at an educational institution such as a TAFE, you may also be eligible.

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.

If you have a primary or secondary school child



If you are an independent student



Schooling requirement



If your child stopped full-time school during the year



Family tax benefit (FTB) Part A



Payments that could stop you from receiving FTB Part A



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If you have a primary or secondary school child

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You are eligible to claim an ETR for the 2010-11 year if, on a day in the period 1 July 2010 to 30 June 2011:

- you incurred eligible education expenses

- your child was enrolled or registered in a primary or secondary school course during any day in the same half-year as the day occurred
- your child attended their course at least one day in that half year, and
- one of the following applied
 - you received FTB Part A for the child
 - a payment was made for the child which stopped you from receiving FTB Part A
 - your child stopped full-time school during the year and received sufficient income to stop you receiving FTB Part A.

You do not have to be eligible for the entire year to be able to claim the ETR. You can claim the ETR for any period during the year you met the eligibility requirements.

Where a child receives a payment that stops FTB Part A being paid, parents need a written statement agreeing to what percentage of the ETR they will each claim - this is called an agreed percentage. If no agreed percentage is in place, your agreed percentage is 50% each.

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If you are an independent student

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You are eligible to claim an ETR for the 2010-11 income year if, on a certain day during the period 1 July 2010 to 30 June 2011, you incurred eligible education expenses and you:

- received a social security pension or benefit, a labour market program payment or a prescribed educational scheme payment including any of the following
 - Youth Allowance
 - ABSTUDY living allowance

- Veterans' Children Education Scheme and payments under the scheme to provide education and training under section 258 of the *Military Rehabilitation and Compensation Act 2004*
 - a disability support pension
-
- were an independent person for the purpose of the payment
 - were undertaking full-time secondary school studies at secondary school or an education institution such as a TAFE
 - were under 25 years of age
 - were an Australian resident (within the meaning of the *Social Security Act 1991*) or a special category visa holder (within the meaning of the *Migration Act 1958*)
 - lived in Australia.

You do not have to be eligible for the entire year to be able to claim the ETR. You can claim the ETR for any period during the income year you met the eligibility requirements.

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Schooling requirement

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A child or an independent student meets the schooling requirement for each six-month period, starting 1 July or 1 January, if both of the following are true:

- one of the following applies
 - they are registered or enrolled in a primary or secondary school course provided at an educational institution such as a school or TAFE
 - they are registered or enrolled with the education authority of their state or territory as a home schooled student

- they are registered or enrolled in a course of study or instruction and the Minister administering the *Student Assistance Act 1973* says the education tax refund applies
- they attended the course of study or instruction, or received the home schooling, at least one day in a six-month period starting from 1 July or 1 January.

Where a child or independent student starts or leaves school during the year, or for other reasons only meets the criteria for one half of the year, you or the independent student can claim the refund for that half of the year.

Example 1 - starting primary school

Grant is enrolled in primary school in December 2010 but his first day of primary school is in February 2011. In January, his parents buy him stationery, including crayons, paints and other learning materials. Grant meets the schooling requirement from 1 January to 30 June 2011 as he is enrolled at a school and attended school at least one day in that six-month period.

Subject to meeting the other eligibility requirements, Grant's mother Pam, who receives family tax benefit (FTB) Part A payment, can claim half of the ETR in her 2011 tax return. As Grant did not attend school for the first half of the 2010-11 year (1 July to 30 December 2010) Pam cannot claim the refund for this period.

Example 2 - transition from primary to secondary school

Anthony starts Year 7 at a New South Wales secondary school in February 2011. Anthony's parents purchase a computer for him in March 2011. As Anthony also attended Year 6 at primary school the year before, he meets the schooling requirement for the whole of the 2010-11 income year.

As Anthony's father, Peter, receives FTB Part A payment, he can claim the full amount of the ETR in his 2011 tax return.

In addition, as Anthony transitioned from primary school to secondary school during the 2010-11 year, Peter can claim for the amount for a secondary school student for the whole year up to \$1,588.

Example 3 - an independent student

Will is 22 and completing his secondary schooling. He has a part-time job and receives Youth Allowance. From 1 July 2010 to December 2010, he completes Year 11. Will is an independent student for the purposes of the ETR and in August 2010, he purchases a computer for his studies. In February 2011, Will goes on a six-month overseas school exchange program, paid for by fundraising. Will can only claim half of the refund for his educational expenses as he did not attend school in Australia in the six-month period starting 1 January 2011.

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If your child stopped full-time school during the year

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You will be eligible for the ETR for the part of the year that your child met the schooling requirement.

Example 1 - finishing secondary school and starting university

Katie's daughter Asher completes full-time secondary school in December and starts university in the second half of the financial

year. Katie incurred \$2,000 in eligible expenses in the final year of Asher's secondary schooling. Therefore, she is entitled to claim a refund for half of the financial year. The maximum ETR that Katie can claim is \$397 (50% of \$794).

Example 2 - finishing secondary school and starting work

Bill's son Declan completes full-time secondary school in December and works for the remainder of the financial year, earning more than the child income test limit for him to be an FTB child. Even though Declan's income for the year is over the child income test limit, he met the schooling requirement for half of the financial year. Therefore, Bill can claim a refund for Declan's last six months of school - up to \$397 (50% of \$794).

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Family tax benefit (FTB) Part A

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What is FTB Part A?

FTB Part A helps with the cost of raising children. It is paid to a parent, guardian, carer (including foster carer), eligible grandparent or approved care organisation.

To be eligible for FTB Part A you must:

- have a dependent child aged under 16, or
- have a dependent child aged 16-20 years who has completed a Year 12 or equivalent qualification, or who is undertaking full-time education or training leading to a Year 12 or equivalent qualification, or who is exempt, or

- have a dependent full-time student aged 21-24, and
- have care of the child for at least 35 per cent of the time, and
- meet the income test, and
- are an Australian resident, or a special category visa holder residing in Australia, or are the holder of a certain temporary visa.

A child or student cannot be a dependant if they:

- are in your primary care for less than 35% of the time
- receive a pension or benefit
- receive a labour market program payment such as Youth Allowance
- are aged 5 to 15, not studying full-time and their annual income is over the child income limit
- are aged 16-20 and have neither completed a Year 12 or equivalent qualification, or are undertaking full-time education leading to a Year 12 or equivalent qualification and are not exempt from this requirement
- are aged 16 to 19, not in full-time secondary study and have an annual income that is over the child income limit
- are aged 16 to 21 and receiving a prescribed education scheme payment such as ABSTUDY
- are aged over 19 and have an annual income that is over the child income limit, or
- are aged 21 and are not a dependent full-time student.

See also:

Visit servicesaustralia.gov.au 

Phone **13 61 50** between 8.00am and 8.00pm (local time), Monday to Friday.

Visit any Medicare office or Centrelink service centre.

Phone **13 12 02** if you do not speak English well.

Use the teletypewriter (TTY) service on **1800 810 586** if you have a hearing or speech impairment. (This service is only available via a teletypewriter machine.)

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Payments that could stop you from receiving FTB Part A

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You may be eligible to claim an ETR if a payment was made for your child that stopped you from receiving FTB Part A during the period 1 July 2010 to 30 June 2011. These payments include:

- Youth Allowance
- Disability Support Pension
- ABSTUDY living allowance
- the Veterans' Children Education Scheme
- Student Financial Supplement Scheme
- the scheme to provide education and training under section 258 of the *Military Rehabilitation and Compensation Act 2004*.

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Eligible education expenses

Check that your education expense is eligible.

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An eligible education expense is one that:

- an eligible person incurs
- relates to the education of the child or independent student
- is of a type specified in the law as an eligible education expense

- was incurred on a day when the child or independent student met the schooling requirement.

Note: You should keep accurate records to help you work out your ETR claim. You should keep written evidence such as receipts and invoices to ensure that you are able to prove the information you provided on your claim. Eligible education expenses should be listed separately on invoices and receipts.

You should keep your records, usually for five years from the date you lodge your tax return or claim, unless you are subject to the shorter period of review.

You cannot claim the ETR for education expenses if either of the following apply:

- it is an allowable tax deduction or subject to another tax offset
- you received or are entitled to receive payment or property as reimbursement or payment for the expense under a Australian Government or legislative prescribed benefit, grant or subsidy.

Example - an apprenticeship as part of secondary school studies

Jack is enrolled in a carpentry apprenticeship as part of his secondary school studies and purchased trade tools during the year worth \$2,000. As Jack is an apprentice, he is eligible for a Commonwealth grant of \$800 to help with the purchase of trade tools. Since he receives \$800 towards the cost of his tools, Jack's ETR education expenses are reduced to \$1,200.

Items that are eligible education expenses



Expenses that are not eligible



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Items that are eligible education expenses

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Eligible education expenses are items that support a child's or independent student's primary or secondary school education. They include the purchase, lease, hire or hire-purchase costs, repairs and running costs of:

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

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Expenses that are not eligible

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Education expenses that are not eligible include:

- school fees
- school uniform expenses
- student attendance at school-based extra-curricular activities, such as excursions and camps
- tutoring costs
- sporting equipment
- musical instruments
- school subject levies - for example, payment for materials for particular subjects such as woodwork, art or home science
- building levies
- library book fees
- school photos
- donations
- tuck shop expenses
- waiting list fees
- transport
- membership fees
- computer games and consoles.

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Sharing eligible education expenses

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Where you have incurred an eligible education expense for more than one eligible child, you can share the expense between the children if:

- all the children have access to the purchased item
- you purchased the item on a day when you met the eligibility requirements for the ETR for each child.

This is called pooling.

Example - pooling expenses for eligible children

Tahir has twins in secondary school. He purchased a computer worth \$1,600 which both children can access. Tahir can pool the expense of the computer between the twins and claim \$800 in eligible expenses for each child. This means he can claim a total of \$1,600 in expenses.

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How much you can claim

The ETR is 50% of eligible education expenses you incurred.

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For the period 1 July 2010 to 30 June 2011, you can claim up to:

- \$794 for each eligible child in primary school - that is, a refund of \$397
- \$1,588 for each eligible child in secondary school - that is, a refund of \$794.

How much you can claim depends on whether you have either:

- full care of the child

- you have shared care of the child
- an agreed percentage.

You have an agreed percentage if either of the following applies:

- you split your FTB with your spouse
- you are not eligible for FTB and you don't have a written agreement to state who will claim the ETR. In this case you will each have to claim half the ETR.

Full care of children or independent student



Shared care of child or agreed percentage



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Full care of children or independent student

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If you have full care of your children and no agreed percentage or you are an independent student, use the following steps to work out your ETR:

Label	Step	Directions
A	1	Work out your total eligible education expenses for all eligible children
B	2	The maximum tax offset amount for one child
C	3	How many days in the year were you eligible?

D	4	Work out the maximum tax offset amount for this child (B × C) divided by 365 - round to two decimal places Repeat Steps 2 to 4 for each child
E	5	Add the amounts from D for each child
F	6	Include excess eligible expenses carried forward from the previous year
G	7	Add A and F
H	8	Multiply your expenses from G by 50%
I	9	Use the lower of the amounts at E or H Write the amount at I on your claim

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Shared care of child or agreed percentage

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If you have both shared care and agreed percentage for the eligible child you can use the following steps to work out your education tax refund.

Label	Step	Directions
A	1	Work out your total eligible education expenses
B	2	Multiply A by your agreed percentage
C	3	Calculate the maximum tax offset amount for this child

D	4	How many days in the year were your eligible?
E	5	Multiply D by your shared care and agreed percentage
F	6	Work out the maximum tax offset amount for this child (C × E) divided by 365 - round to two decimal places Repeat Steps 3 to 6 for each child
G	7	Add the amounts from F for each child
H	8	Include excess eligible expenses carried forward from the previous year
I	9	Add B and H
J	10	Multiply your expenses from I by 50%
K	11	Use the lower of G or J Write the amount at K on your tax claim

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Claiming the ETR in your tax return

If you have determined you are eligible to claim and you have to lodge a tax return.

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If you have determined you are eligible to claim and you have to lodge a tax return, you can claim your ETR at question **T6** - in your *Tax return for individuals 2010–11*.

Before you claim the ETR, you must first have lodged a claim for FTB Part A for the child with DHS and had that claim approved. This includes approved claims where you elected to receive a zero fortnightly rate.

If you have lodged an end-of-year claim for FTB Part A, DHS can only approve it after you lodge your tax return. In this case, when you are preparing your tax return you are not yet approved to receive FTB Part A, so you cannot claim the ETR in your tax return. If your claim for FTB Part A is approved by DHS then you will need to ask for an amendment to your tax return to include a claim for the ETR.

If DHS approves your claim for FTB Part A and at the time you lodged your tax return you were entitled to claim the ETR, but DHS later, as part of its reconciliation process, determines that you were not entitled to FTB Part A you will need to ask for an amendment to your tax return to remove the claim for the ETR. If you do not seek an amendment and we later identify that you were not entitled to the ETR, we will adjust your tax return to remove your claim.

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Claiming the ETR if you do not have to lodge a tax return

If you have determined that you are eligible to claim but you do not have to lodge a 2011 tax return.

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If you have determined that you are eligible to claim but you do not have to lodge a 2011 tax return, you can claim the ETR by using **Education tax refund claim and instructions**.

You can lodge your completed ETR claim by:

- having a completed **Education tax refund claim and instructions** form in front of you and phoning us on **13 28 65** - this service is available at any time
- mailing it to us.

If you are lodging both of the following items, you must send them to us together in one envelope:

- **Education tax refund claim and instructions** (NAT 72621)
- **Refund of franking credits for individuals** (NAT 4098).

If you did not claim the ETR when lodging your tax return

If you have lodged your tax return and:

- were eligible to claim the ETR in that return but did not, or
- were not eligible to claim the ETR because your claim for FTB Part A had not been approved, and are now eligible to claim the ETR because your claim for FTB Part A has been approved, you can do one of the following:
 - refer to **Request for amendment of income tax return for individuals**
 - contact your tax agent and ask for an amendment.

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More information

More information about education tax refunds.

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- Education tax refund claim and instructions (NAT 72621)
- phone us on **13 28 61**
- visit one of our face-to-face services
- write to us at the address below.

Australian Taxation Office
GPO Box 9990
[insert the name and postcode of your capital city]

For example;

Australian Taxation Office
GPO Box 9990
SYDNEY NSW 2001

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