



Reporting total fee

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It is a condition of approval and continued approval for Child Care Benefit (CCB) purposes that services must comply with Family Assistance Law.

Obligations relating to the submission and content of online weekly Attendance Record Reports are governed by section 219N of the *A New Tax System (Family Assistance) (Administration) Act 1999* (the Act).

Failure to meet these obligations is a criminal offence and may incur a penalty of up to \$6 600 for an individual and up to \$33 000 for a body corporate. Financial penalties under the civil penalty and infringement notice scheme may also be imposed (see Instruction Sheet 7 for more information about the Civil Penalty and Infringement Notice Scheme). A service that does not comply with its obligations may also be sanctioned under the Act.

Approved child care services are required to submit an online weekly or fortnightly Attendance Record Report to the Department of Education, Employment and Workplace Relations (DEEWR) for each week in which a session of care is provided to a child for whom an enrolment has been notified to DEEWR. This Attendance Record Report must include the total fee an individual is liable to pay for care provided during the week.

What is the total fee?

The total fee is the amount an individual is liable or obliged to pay for the standard child care service provided to a child during the week. The total fee reported is used to calculate an individual's rate of Child Care Rebate (CCR) so services must accurately report the total fee to ensure people get their correct CCR entitlement.

What should be included in the reported total fee?

The total fee should include those costs that relate to the provision of the standard service for which the individual is obliged to pay. It includes the:

- fee for all hours in the sessions of care provided paid for by the individual liable, including any CCB fee reduction amounts
- fee for nappy services, meals, etc, only if these form part of the standard service provided and are not additional optional services
- and cost of excursions/entertainment where they are not optional and form part of the standard care service provided in that week (see Example 1 below).

What should be excluded from the reported total fee?

The total fee should not include any amounts that do not form part of the standard service for which the individual is obliged to pay. You should exclude from the reported total fee:

- one-off charges such as enrolment/registration fees, any surcharge for credit card payments, penalty fees for late pickup or late payment of fees
- any discounted amounts your service provides to individuals using care, for example, discounted fees for staff whose children are cared for at the service, holiday discounts, discounts for paying fees in advance or discounts for payment of fees via direct debit (see Example 2 below)
- the cost of excursions or entertainment that are an optional extra and therefore not part of the standard service provided in that week
- fees charged for absences for which there is no CCB entitlement (see Example 3 below).

What happens when a third party pays the gap fee for care provided?

Third party pays fees to the service on behalf of an individual

Where a third party, for example, a state government department or child welfare agency pays the gap fee to the service for care provided, that portion of the fees payable by the third party cannot be included in the total fee reported for the individual and therefore CCR is not payable on the amount paid by the department/agency (see Example 4 below).

Third party pays fees directly to an individual

Where a third party, for example, a grandparent or charity provides monies to an individual to assist him/her to meet their liability for child care costs, the liability for the total fee remains with the individual as they still have the obligation to pay the service for care provided. In this case, the total fee would include the full fee that the individual is obliged to pay and CCR would be payable on that amount.

Example 1: An After School Care service takes its children roller-skating every Tuesday afternoon and the activity is part of the service's standard child care program. As the activity is not optional, that is all children attending After School Care on Tuesday must go roller-skating, then the cost of the activity/excursion would be included in the total fee for CCR purposes.

Example 2: A child care service pays a part of a staff member's gap fee or provides a discount to the staff member. As the staff member does not pay for the part that the service pays or has discounted, the child care fee **less** the discounted amount (the discounted fee) should be reported as the total fee for the staff member and there would be no entitlement to CCR on the amount paid/discouted by the service.

Example 3: Where a family has used their first 42 absence days for a child and further absences occur that do not meet the criteria for additional absence days, the fees charged by the service must not be included in the total fee. An absence does not include a day or days before the service has commenced providing care to a child or after the service has stopped providing care to a child.

Example 4: A family has foster children in their care and the foster mother is assessed as eligible for CCB in respect of the foster children in her care. There is an agreement/arrangement that the foster mother makes payments for the CCB amount only and the relevant state government department makes payments of the gap fee to the service. As the parent is only paying the CCB amount, the CCB amount should be reported as the total fee for the foster parent and there would be no entitlement to CCR on the amount paid by the welfare agency.