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## PAID PARENTAL LEAVE & BABY BONUS

### *Paid Parental Leave*

From 1 January 2011, all the eligible Australian resident working parents are able to receive the maximum period of 18 weeks of Parental Leave Pay at the national minimum wage (\$570/week before tax for 2010-11 income year) following the birth or adoption of a baby after 1 January 2011.

You may be eligible for Parental Leave Pay if you meet the following requirements:

- You are an Australian resident;
- You are the primary carer of a newborn or recently adopted child;
- You must have worked for at least 10 of the 13 months before the birth or adoption occurs; in addition, you must have worked for at least 330 hours in that 10 month period with no more than a 8 week gap between two consecutive working days;
- You have an individual adjusted taxable income of \$150,000 or less in the financial year prior to the date of birth or adoption;
- You are on leave or not working from the time you become the child's primary carer until the end of your Paid Parental Leave period.

In order to receive the full 18 weeks of Paid Parental Pay, a claim must be lodged within 34 weeks of the birth or adoption.

We have provided general information for guidance only in this newsletter. For business and personal taxation planning, or other professional advice having regard to your circumstances, please come and see either Charles or Matthew.

### *Baby Bonus*

The Baby Bonus is available to Australian residents following the birth or adoption of a baby and it is paid in 13 fortnightly instalments per eligible child. The government will increase the first instalment to \$879.77 and 12 fortnightly instalments of approximately \$379.77 from 1 July 2011. Please note the Baby Bonus is not taxable.

You may be eligible for Baby Bonus if you meet the following requirements:

- You are an Australian resident;
- You are the primary carer of a dependent child or the partner of the primary carer;
- You have the care of the child within 26 weeks of the child's birth and be likely to continue for at least 26 weeks;
- **You are not have received or being receiving Parental Leave Pay for the child;**
- You have an combined/family adjusted taxable income is equal or less than \$75,000 (combined/family ATI equal or less than \$150,000/year) for the period in the six months following the child's entry into your primary care.

Claims may be lodged up to 3 months before the expected date of birth of a child or an adopted child entering your primary care as part of the adoption process.

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