



# Closure of Carbon Tax compensation for some single income families

2016 Budget

Carbon Tax compensation for some single income families was introduced as part of the Household Assistance Package from 2012. As the Carbon Tax no longer exists, this supplement is no longer needed.

## What was announced in the 2016 Budget?

From 1 July 2017, the Government will close Carbon Tax compensation for those who would otherwise have become eligible for the Single Income Family Supplement. Current recipients will continue to receive the Single Income Family Supplement as long as they remain eligible.

The Carbon Tax compensation for some single income families was introduced as part of the Household Assistance Package to provide compensation for the introduction of the Carbon Tax.

As the Carbon Tax was abolished and future electricity price rises that would have been caused

by the Carbon Tax did not occur, this compensation is no longer needed.

Current recipients will continue to receive the Single Income Family Supplement as long as they remain eligible.

Closing the compensation is in line with recommendations from the McClure Report that supplements should be for clearly defined purposes, and for specific additional costs.

## Key facts

- This change will save taxpayers about \$67 million (fiscal balance) over five years.
- The Carbon Tax compensation for some single income families provides assistance of up to \$300 per year for families with a main income earner who earns between \$68,000 and \$150,000. If there is a secondary income earner, their income must be below \$18,000 per year.

## More information

For more information about this measure and other Department of Social Services' Budget

measures, visit the [Department of Social Services](http://www.dss.gov.au) website ([www.dss.gov.au](http://www.dss.gov.au)).

For information about the 2016 Budget, visit the [Australian Government budget](http://www.budget.gov.au) website ([www.budget.gov.au](http://www.budget.gov.au)).