



BRIESE LAWYERS FACTSHEET
CHILD SUPPORT CHANGES
Final Stage comes into effect 1 July 2008



The two most significant elements to this stage are a new child support formula and new types of Child Support Agreements.

Changes to Note:

- An entirely new formula for calculating the child support payable by a liable parent:
 - A fixed percentage is no longer applied. As of 1 July, CSA will take into account:
 - The combined income of both parents after a self-support amount is deducted;
 - The percentage of care each parent has of the child/ren. The care a parent provides directly for a child is treated as a contribution towards the costs of a child;
 - A broader range of income amounts including taxable income, gross reportable fringe benefits total, target foreign income, some tax-free pensions/benefits i.e disability pensions, carer payments, and certain payments from Department of Veteran's Affairs. Net property losses will be added back to taxable income.
 - Use of tables to determine the costs of raising a child, depending on the child's age, the number of children in the family, and the parent's combined child support income.
- Adjustments for care - more than 52 nights (14 percent) will be recognised and the impact of care will be worked out using the 'cost percentage table', replacing the current concepts of sole, substantial and shared care.
- Parents with other dependant children (biological or adopted) will have the costs of these children taken into account before child support is calculated.
- To calculate the basic formula, in order to work out the child support payable for child support children, CSA:
 - Calculate the parent's child support income;
 - Work out the combined child support income by adding each parent's child support income together;
 - Work out each parent's income percentage by dividing each parent's child support income by the combined child support income and multiply by 100;
 - Work out each parent's care percentage;
 - Work out each parent's cost percentage;
 - Work out each parents child support percentage by deducting the cost percentage from the income percentage for each parent;
 - Work out the cost of the child support children;
 - Work out the final child support payable by multiplying each parent's child support percentage by the total cost of the children.
- The link to the Child Support Agency's Family Assistance Estimator and the Child Support Estimator incorporating the changes in effect from 1 July 2008: <http://www.csa.gov.au/estimator/index.aspx>
- Two types of Child Support Agreements will come into existence:
 - i. Binding Child Support Agreements, where parties must have independent legal advice and meet formal requirements to be met to be binding; and
 - ii. Limited Child Support Agreements in which only certain formal criteria need to be met.



**BRIESE
LAWYERS**

**303 Margaret St
(PO Box 1945)
TOOWOOMBA QLD 4350
Ph: 0746384833
Fax: 0746381833**

Email: admin@brieselawyers.com.au
Website: www.brieselawyers.com.au