



EOFY 2020 – TIPS FOR CENTRELINK and AGED CARE

With the end of 2020 financial year approaching, we would like to draw your attention to some things worth considering in relation to you, or your family's needs, involving access to Government benefits and/or accessing aged care services.

As always, we are here to assist you. If you have any questions about the issues mentioned in this email, please don't hesitate to contact us.

Things to consider:

1. **Applying for Centrelink or DVA benefits** – the Government provides a wide range of benefits to assist with meeting day-to-day living expenses for members of the general public, and for veterans and their families.

Benefits may include the payment of pensions, allowances, and income support payments like the Family Tax Benefit, and Child Care support.

If you need assistance in determining what benefits you may be entitled to, and how to apply for them, please let us know.

2. **Applying for JobSeeker Payment** - asset testing of people applying for JobSeeker Payment has been waived for 6 months from the 25 March 2020.

At the same time Mutual Obligation requirements have been eased and for couples, the partners income test has been eased substantially.

In addition to these measures the access to JobSeeker have been expanded to include the self-employed and sole traders.

If you believe that the change in your circumstances means that you may be entitled to JobSeeker and would like to test your eligibility, please let us know so that we may be able to assist.

3. **Reviewing assets and income** – many benefits provided by the Government are means tested. They are subject to an assets and an income test.

To ensure you are receiving your correct entitlements, a regular review of the current value of your income and assets is prudent.

When valuing assets for assets test purposes, it is the 'fire-sale' value that is used – not the insurance or replacement cost.

4. **Gifting** – involves giving away something you own for less than its fair value. Limits are placed on the amount that may be gifted each year, and over a five-year period, without it having an adverse effect on the benefits you may be receiving.

Before giving away money or property, or even going guarantor on a loan, please speak with us.

5. **Reviewing your dependants** – Government payments are based on your relationship status – whether you are single, a member or a couple, or a couple separated by

illness. Also, the amount of benefit you may be entitled to may increase if you have dependants. Ensuring that Centrelink or the Department of Veterans Affairs has the correct information of your family will ensure you are receiving your correct entitlements.

6. **Commonwealth Seniors Health Card (CSHC)** – this card is available to those who have reached the eligible age for the age pension, but are unable to receive the pension because of the assets or income test. The card provides a range of benefits including access to bulk-billed medical services and subsidised pharmaceuticals.

Please note that eligibility for a CSHC is income tested, not assets tested.

7. **Low Income Health Card (LIHC)** – if you are a single person with an income of less than \$570 per week, or a couple with a combined income of less than \$984 per week, you may be entitled to a LIHC. The card is not subject to an assets test. This card provides access to a range of services including bulk-billed medical services and subsidised pharmaceutical items.

Importantly, you do not need to receive Government income support benefits to qualify for a LIHC.

8. **Aged Care** – with an ageing population it is little wonder that more and more Australians are being touched by the need to arrange aged care services – both in-home and residential accommodation – for family members.

The aged care system is complex, particularly when it comes to understanding the types of services available, and the costs involved in accessing services.

Whether a family member is receiving an age or service pension, or a self-funded retiree, we can assist you in working through the aged care maze.

This is a snapshot of some of the things taxpayers should consider as they approach the end of the 2020 financial year.

If you have questions about any of the issues raised, or if you would like us to review any aspect of you or your family's entitlements, or check that everything is on track, please don't hesitate to contact Gant Financial Management on 08 8363 0666 or email us admin@gantfm.com.au to arrange an appointment.

Best regards,

The teams at Gant Financial Management and Centrepoint Alliance

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