

# Red Tape

SSRV Newsletter



**Social  
Security  
Rights  
Victoria Inc.**

A0015471X



## ***SSRV staff member in National Welfare Rights Network/ACOSS delegation to Federal Parliamentarians***

It's been a busy time with many new matters and cases going to the SSAT and settling at the AAT.

Yesterday I had the opportunity to represent the National Welfare Rights Network, and SSRV at the ACOSS advocacy day at Parliament House, Canberra.

This meant having various meetings with different parliamentarians, including Ministers, Senators and Members of Parliament (MPs).

Apart from suits everywhere, and a lot of people looking tired and worn out it was a great day.

We presented on the following key budget measures:

- The proposed extension to the pension age, ie till 70
- Changes to the Family Tax Benefit (FTB)
- Extending the Youth Allowance (YA) till 29
- Excluding New Start Allowance (NSA) for up to 6 months
- Potential further changes to the Disability Support Pension (DSP) making it even harder for people to qualify.

Apart from saying that the proposed budget measures, hitting those with the greatest need, is unfair and unconscionable (Continued on Page 2)

## ***“jobvoice job choice” logo launched***

Due to this edition being slightly delayed we are very delighted to announce (and show off) the new ‘jobvoice job choice’ logo that will be an inherent part of SSRV’s job services comparison portal (that’s it above). The logo has just been approved this week and this is the first publication released to ‘the public’ with it in.

## ***“Jobvoice job choice” - the development of the Portal is underway!***

The Job Seeker Portal Project Advisory Board met again in July 2014. Discussions were centred on brand design, logo and site development. In addition, the Advisory Board reviewed, dissected and scrutinized the name and logo design and finally settled on “jobvoice job choice”. We have recently engaged a web developer who will commence the technological build of the site in August. (Continued page 4)

## ***Federal Parliamentary delegation***

*(continued)*

we stated that the executive arm of government had alternatives to raise funds for their budget. Without going into too much detail, there remain various tax breaks that very wealthy people can take advantage of, issues with housing policy, eg. negative gearing and other superannuation loopholes that might save the government significant amounts of money rather than hit the safety umbrella maintaining social security entitlements.

What sympathetic parliamentarians did say was that if you write to your respective members, or make appointments to meet with them, and then tell them that income support is a right, and that the society we live in expects supports for disadvantaged people, your representations may make a difference.

So, the worst thing that your local member can say is 'no', and sometimes, for whatever reason, your message might touch them and they may say yes.

In addition to the advocacy day I have also been voted onto the committee of the National Welfare Rights Network (Inc.) (NWRN).

## ***Recent casework issues***

We recently assisted a client at the Administrative Appeals Tribunal, where Centrelink conceded and granted the client the Disability Support Pension, backdated for just over 12 months to when she first applied.

Unfortunately with such significant time delays, if someone is not depressed at the time of application, their experience with Centrelink often compounds their anxiety and depression resulting in a more severe condition.

We also have a number of ongoing matters at the SSAT awaiting decisions.

Just when you think nothing can shock you, we recently had a client ring up stating that Debt Management had called her up and demanded the payment of a significant

debt. Debt Management have a reputation for harassing people and being hard-core. What shocked us was that this debt had been waived by the SSAT three months earlier and for whatever reason the Debt Management team had not actioned the SSAT decision. The officer also stated over the phone, 'we don't care about the SSAT decision; you still have to pay the debt.'

Generally we refer matters of Centrelink conduct to the Ombudsman, however in this case I rang a contact in Centrelink legal who gave me an apology and followed up on debt management.

If anyone else has problems with the debt management team, do let us know as one of the cross bench Senators was furious when I told her this story, and was going to raise it with the Minister. I'd like to give her a few stories all at once.

All the best

*Graham Wells*

Senior Lawyer and Clinical Supervisor

## ***Student experiences at SSRV***

*Our clinical program in conjunction with the Melbourne Uni Law School. Here are the reflections of two current students:*

Ash - My SSRV experience

"I have thoroughly enjoyed my first 5 weeks as a clinical student at SSRV. I have had the opportunity to work on a range of case files, particularly matters concerning claims for Disability Support Pension and Centrelink debts. The ability to watch and work on a file as it progresses has been the main difference from my previous work experience. I have found this consistent engagement with a file to be both challenging and rewarding. Whilst I was not involved in the case beforehand, the opportunity to call a former SSRV client to inform him that he had been successful in his claim for compensation against Centrelink highlighted the important work of this organisation and the positive impact it may

have. I am looking forward to developing my skills in the area of social security law and case work in general as my clinical experience continues”.

Mickey: “My experience working at the SSRV to date has exceeded my expectations. After studying law for two years, I found that applying it to real-life circumstances requires many additional skills we do not get to hone in law school. Volunteering at the SSRV gives me an invaluable chance to observe how social security rights law impacts on people’s lives in practice and learn how to work with clients so that they get the maximum benefit they are entitled to. Most importantly, I get to experience how rewarding it is to hear from clients who succeed in their claims after they sought assistance from the SSRV. This opportunity has helped to reinforce my decision to pursue a career in public interest law after I graduate”.

### ***Tax Returns and Centrelink issues***

There are a number of issues that spring up at this time of year that relates to tax returns and Centrelink. Some of these are positive, some neutral and some negative. We will deal with each in turn.

#### ***(1) (Update): Ramifications for the payment of Family Tax Benefit (FTB) as a result of changes to the treatment of late lodgment of tax returns .***

As noted in our October 2013 edition – this change is not well known. SSRV is now hearing from a number of people for whom this change has had unfortunate ramifications. However it is important for anyone who doesn’t know this (at least for next year) to be aware of this change. Effective the 1314 Financial Year (yes, the one just passed) there is now a time limit on applications for people wishing to claim their FTB as part of their tax return. This also affects those who receive FTB fortnightly – this is technically ‘in advance’ albeit in a slightly different form.

If you wish to claim FTB as part of your tax return (which some people do, often the self-employed or small business people) you need to lodge your application by the 30<sup>th</sup> of June

in the year that follows the eligibility. For example those who wish to claim FTB for the July 2013-June 2014 year need to ensure that their tax return is submitted by the 30<sup>th</sup> of June 2015. People submitting late – for example for 2012-13 in July 2014 have been sent letters telling them they have no entitlement due to ‘late lodgment’ and thus they are not being paid.

Similarly those people paid ‘in advance’ need to ensure that their tax returns are lodged in a similarly timely manner in order to not generate a debt for the entire year. There is a particular issue where someone is no longer a member of a couple with another person but they were in a previous year for which they received FTB. This can be quite problematic particularly if one person is lax or deliberately doesn’t submit their tax return.

Let’s use an example – Cain and Kim were together in 2012-13. Unfortunately due to conflicting schedules their relationship has ended. They however had a little baby called Norrie. Kim was receiving FTB for Norrie. At the end of June 2014 Cain hadn’t submitted his tax return. Even though he and Kim are no longer together, the FTB paid to her may be considered to be an overpayment. As you can imagine, it’s very difficult for a person with whom someone is still close to get them to submit a tax return. It is likely to be next to impossible to do that with someone with whom you are estranged. In its own way, the system encourages people to not submit their tax returns if they know it will create issues for their exes.

#### ***(2) Submitting a Tax return is not notifying Centrelink of your income***

Unfortunately this is a fairly common misconception not helped by some of Centrelink’s correct if somewhat misleading information. It’s true Centrelink can check taxation information and often does, however it doesn’t do it as a rule. Centrelink’s information often indicates something to the effect of “Centrelink can check information with the tax office”.

This misapprehension is further assisted by the somewhat strange request it makes to people for a copy of their tax returns. Of course Centrelink is within their rights to ask, but it appears they don't actually do anything with them. Whilst this may seem completely logical to Centrelink, it's somewhat weird for those outside. If they're not going to use them, why ask for them? The trouble is most people only find this out when they end up with a debt. If a person has income, they need to tell Centrelink, despite what Centrelink may tell them like "you do not need to report" and other less than useful information. The submission of a tax return to the tax office, does not in any way meet this requirement.

### ***(3) Garnisheeing of Tax Returns to pay Centrelink debts***

This is perhaps the toughest lesson. Every year folk ring SSRV indicating that they have received a notice from the tax office indicating that their entire tax return has been paid to Centrelink towards their debt. A particularly unlucky punter's tax return was exactly the same amount as his debt...!

For some folk, this is the first that they've heard that they have a Centrelink debt. These are often folks who no longer live where they did (often students) when they were on Centrelink and have either not paid tax or not been in Australia. But this is why Centrelink collect tax file numbers – so they can find you when you 'pop' up again.

Now this is an issue of some contention and we enter the murky waters of inter-federal-government agencies here but there is no question that this is a decision of the tax office. True (obviously) Centrelink has been the advisor of the existence of the debt but the tax office is responsible for the disbursement of tax returns, Centrelink is not.

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Whilst the tax office may tell you to appeal to Centrelink, you have a valid reason to request a review by the tax office – after all they write the notice that says they've given the money to Centrelink- Centrelink doesn't.

That doesn't mean you shouldn't appeal to Centrelink if you believe the debt is unfair, unreasonable or as a result of *administrative error*, but that won't get you your tax return back.

Every year people say to us "I'd planned to use my tax return to fix the car" or something similar. All we can say to this is that if there's any sort of outside chance that you may have a Centrelink debt, don't 'pre-spend' the money. If you're not sure and you get your tax return, you can be pretty certain you don't!

### ***[Jobvoice, job choice continued from page 1]***

We envisaged testing the site with focus groups in November 2014.

The Project is steadily starting to take shape. So, stay tune for the next update!

### ***SSRV AGM***

Needless to say the social highlight of SSRV's year is a date you need to put into your electronic diary now! 'Diarise' Thursday the 13<sup>th</sup> of November and presume 6.30 pm somewhere in the inner North- but there will be more info in the October edition of RT – as well as actual invites to members.

#### ***Contact SSRV:***

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