

Information you need to know about your claim for

Assistance for Isolated Children (AIC)



The Assistance for Isolated Children (AIC) Scheme helps the families of the following types of students who are not able to attend a state school on a daily basis because of geographic isolation, disability or a special health need:

- primary and secondary students
- tertiary students who are under the minimum education or training participation age in their state or territory.

Claim closing date

To qualify for an AIC payment for the year of study, you need to lodge your claim by **31 December** of that year. Claims received after this date will not be approved for payment of AIC.

Return this claim as soon as you have completed it. The sooner you apply, the sooner you can be paid.

Online service



You can access your Centrelink online account through myGov. myGov is a secure way to access a range of government services online with one username and password. You can create a myGov account at **my.gov.au** and link it to your Centrelink online account.

For more information



Go to **servicesaustralia.gov.au/isolatedchildren** or visit one of our service centres.

Call us on **132 318**.

We can translate documents you need for your claim for free.

To speak to us in other languages, call us on **131 202**.

Note: Call charges may apply.



If you have a hearing or speech impairment, you can contact the **TTY service** on Freecall™ **1800 810 586**. A TTY phone is required to use this service.

Information in other languages

English

To speak to us in your language, call **131 202**. Call charges may apply. For information in your language about our payments and services, go to servicesaustralia.gov.au/yourlanguage

Arabic

للتحدث إلينا بلغتك، اتصل على الرقم **131 202**. قد تفرض الرسوم على هذا الاتصال. للحصول على معلومات بلغتك عن المدفوعات والخدمات التي نقدمها، اطلع على الرابط servicesaustralia.gov.au/yourlanguage

Assyrian

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Burmese

ကျွန်ုပ်တို့အား သင့်ဘာသာစကားနှင့် ပြောဆိုရန် **131 202** ကို ဖုန်းခေါ်ပါ။ ဖုန်းခေါ်ခများ ပေးရန်ငွေယူရန်မည်။ ကျွန်ုပ်တို့၏ ပေးငွေများနှင့် ဝန်ဆောင်မှုများအကြောင်းနှင့် ပတ်သက်သည့် အချက်အလက်များကို သင့်ဘာသာစကားနှင့် သိရန်အတွက် အောက်ပါ၌ ကြည့်ပါ။ servicesaustralia.gov.au/yourlanguage

Chaldean

ܠܬܚܕܬܝܢ ܒܠܓܬܝܢܝܢ ܥܠܝܢܝܢܝܢ ܥܠ ܩܘܡܝܢܝܢ **131 202**. ܩܕ ܬܦܪܨܝܢ ܪܫܘܡܝܢܝܢ ܥܠ ܗܘܢܝܢ ܐܬܘܘܠܝܢ. ܠܠܚܘܘܠ ܥܠܝ ܡܥܠܘܡܝܢܝܢ ܒܠܓܬܝܢܝܢ ܥܢ ܡܕܦܘܥܝܢܝܢ ܘܐܠܚܡܝܢܝܢ ܐܬܝܢܝܢ ܥܠ ܐܪܒܐܢܝܢ servicesaustralia.gov.au/yourlanguage

Chinese (Simplified)

如果您希望用自己的语言与我们交谈，请致电 **131 202** (可能需要收话费)。获取有关我们提供的各项福利金以及相关服务的中文资料可访问 servicesaustralia.gov.au/yourlanguage

Dari

برای صحبت کردن با ما به لسان خودتان، به شماره **131 202** زنگ بزنید. این مکالمه ممکن است برایتان خرج بردارد. برای معلومات بیشتر راجع به مساعدت های مالی و خدمات ما به لسان خودتان، به وب سایت servicesaustralia.gov.au/yourlanguage مراجعه کنید.

Dinka

Të wic bī jam tēnē yok tō thoṅdu yic, ke bī cōol **131 202**. Tāk wēu bī ke tāāu piny tēnē cōol kēnē. Ku nōṅ wic wēl tō thoṅdu yic tēnē wēu wicke tāāu piny ku luoiokua, ke bī lo servicesaustralia.gov.au/yourlanguage

Hazaragi

بلدی ازیکه قد از مو د زیبون ازخود خو توره بوگین د شماره **131 202** زنگ بزیند. شاید سرشیم مصرف زنگ پایه. بلدی معلومات بیتشرد زیبون از خود د باره طریقه پیسه دیدون و خدمات از مو سر بزیند د ویبسایت servicesaustralia.gov.au/yourlanguage

Karen

လၢတၢ်ကကတၢ်တၢ်ဒီးပုလၢနကစၢ်အကျိၣ်ဒၣ်န့ၣ်န့ၣ်, ကိးဘၣ်လီၤတံစီနီၣ်ဂီၢ် **131 202** န့ၣ်တက့ၢ်.တၢ်ကိးအလဲက အိၣ်ဝဲဒၣ်န့ၣ်လီၤလၢတၢ်ဂ့ၢ်တၢ်ကျိၣ်လၢနကျိၣ်ဒၣ်န့ၣ်လၢအ ဘၣ်ယးဒီးပုလၢလဲဒီးတၢ်မၤစၢ်အတၢ်ဖဲတၢ်မၤတဖၣ်အဂီၢ်, လဲၤဘၣ်ဆူ servicesaustralia.gov.au/yourlanguage န့ၣ်တက့ၢ်.

Khmer

ដើម្បីនិយាយមកកាន់យើងខ្ញុំជាភាសាលោកអ្នក សូមទូរសព្ទទៅលេខ **131 202**។ លោកអ្នកអាចបង់ ថ្លៃទូរសព្ទ។ ដើម្បីទទួលព័ត៌មានជាភាសាលោក អ្នកអំពីប្រាក់ផ្តល់និងសេវារបស់យើងខ្ញុំ សូមបើកមើល servicesaustralia.gov.au/yourlanguage

Korean

귀하의 언어로 통화하기를 원하시면, **131 202** 번으로 전화하십시오. 통화료가 부과될 수 있습니다. 귀하의 언어로 저희가 제공하는 급부금 및 서비스에 대한 정보를 찾아보기 원하시면, servicesaustralia.gov.au/yourlanguage 에 방문하십시오.

Kurdish (Kurmanji)

Ji bo ku bi zimanê xwe bi me re biaxivin, ev reqemên **131 202** re telefon bikin. Dibe ku bihayên telefon kirin were sepandin. Ji bo agahdariya di derbarê diravdanî û xizmetên me de herin li ser servicesaustralia.gov.au/yourlanguage

Nepali

तपाईंको आफ्नो भाषामा हामीसँग कुरा गर्न **131 202** मा फोन गर्नुहोस्। फोनको शुल्क लाग्न सक्छ। हाम्रो भुक्तानी र सेवाहरूको बारेमा तपाईंको आफ्नो भाषामा जानकारी पाउनको लागि, servicesaustralia.gov.au/yourlanguage मा जानुहोस्।

Persian (Farsi)

برای گفتگو با ما به زبان خود، با شماره **131 202** تماس بگیرید. ممکن است تماس هزینه داشته باشد. برای کسب اطلاعات درباره پرداختها و خدمات ما به زبان خود، به تارنمای servicesaustralia.gov.au/yourlanguage بروید.

Somali

Si aad noogula hadasho luqaddaada, wac **131 202**. Kharashyada wicitaanada ayaa la isticmaali karaa. Wixii macluumaadka luqaddaada ah ee ku saabsan lacag-bixinnadayada iyo adeegyadeyda, ka eeg servicesaustralia.gov.au/yourlanguage

Swahili

Kuongea nasi kutumia lugha yako, pigia simu **131 202**. Malipo ya simu yanaweza kutumika. Kupata habari katika lugha yako kuhusu malipo na huduma zetu, enda kwenye servicesaustralia.gov.au/yourlanguage

Turkish

Bizimle kendi dilinizde konuşmak için **131 202** numaralı telefonu arayın. Arama ücreti uygulanabilir. Ücretlerimiz ve hizmetlerimiz hakkında kendi dilinizde bilgi için şu siteye girin: servicesaustralia.gov.au/yourlanguage

Vietnamese

Muốn nói chuyện với chúng tôi bằng ngôn ngữ của mình, quý vị hãy gọi số **131 202**. Có thể bị tính cước gọi. Muốn biết thông tin bằng ngôn ngữ của mình về các khoản trợ cấp và dịch vụ của chúng tôi, quý vị hãy truy cập servicesaustralia.gov.au/yourlanguage

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AIC Allowances

There are 4 types of AIC allowances which are paid direct to the applicant or their agent, for example, the board provider or the student:

Boarding	for families with students who must board away from home to study.
Distance education	for families with students who are enrolled in an approved distance education course or doing other approved education while living at home.
Second home	for families that maintain a second home to allow their children to attend school daily.
Pensioner Education Supplement	for families with students getting Disability Support Pension or Parenting Payment (Single) and studying at primary level.

For more information about boarding, distance education and a second home, read 'School term living arrangements' on page 10.

Reason for applying for AIC

To be eligible for AIC, the student must be one of the following:

- boarding away from home to study
- enrolled in an approved distance education course, registered for home education/schooling or doing other approved education and studies at home
- attending a Northern Territory Homeland Learning Centre
- living in the family's second home that was set up to provide them with daily access to schooling in accordance with the AIC policy.

The student is geographically isolated (Geographic Isolation Rules 1 and 2)

You are geographically isolated if:

- **Rule 1**—your family home is 56 km or more from the nearest suitable state school
- **Rule 2**—your family home is 16 km or more from the nearest suitable state school and at least 4.5 km away from the nearest transport to school or there is no available transport service to that school (and this will not be provided if requested).

Shortest practical route—Where a transport service is available or could be made available if requested, the shortest practical route is:

- the distance from home to the nearest available transport service by the shortest practical route, **plus**
- the distance from the transport service to the school by the route used by the service (or connecting services).

Available transport service—The transport service(s) may not necessarily take the student direct to their local state school but may connect with others that do.

Alternating bus routes—If the school transport service, route or pickup point varies on a daily, weekly or monthly basis, then provide details of all routes. Where morning and afternoon transport services differ in length, the average of the 2 is taken.

Transport which would be made available—A family cannot be considered isolated if the state or territory school transport authority or its contractor would provide a service close to the student's home if requested.

Other circumstances that adversely affect the student's access to school (Geographic Isolation Rule 3)

If Geographic Isolation Rules 1 or 2 do not apply and your child cannot get to the nearest suitable state school for at least 20 school days a year due to circumstances beyond your control, then Geographic Isolation Rule 3 may apply.

No reasonable access to school

You might be eligible if the child you are claiming for does not have daily access to a suitable state school.

You might not have daily access to a suitable state school if your child cannot go to school for more than 20 school days in the year because:

- it would take at least 3 hours to get to school and back, or
- there are adverse weather conditions, impassable roads or other circumstances beyond your control.

Basis of Claim	Evidence required
	If the student is continuing study and was assessed as eligible on this basis and there has been no significant change in circumstances, no evidence is required.
Special weather conditions regularly make road or waterways impassable.	All other applicants should provide a statement from the school showing actual dates of absences due to special conditions in previous years for either the student, a sibling or a neighbouring student. If this is not available, the applicant must provide sufficient documentation from the appropriate authorities to clearly demonstrate that the road in question has previously been impassable and the duration of this situation. Only school days can be considered. It will be necessary to supply a report stating that the road or waterway in question was impassable on particular dates and has not been significantly upgraded since that time. The reports will be accepted from either the shire engineer/clerk, the bus company proprietor or the local/state/national roads, water, and/or land management authority.
Parents are unable to transport children to and from school.	Documentation confirming that the parent(s) is/are medically unfit or legally unable to drive for medical reasons and the period this will be the case. Documentation from the relevant state or territory authorities that the parent(s) do not have a registered vehicle or a driving licence. Evidence that a person does not have a registered vehicle or a driving licence will not be accepted if the person's access to a vehicle or licence has been removed by a court (for example, due to conviction) or other legal authority (such as a police officer).

AIC cannot be approved where factors are within the family's control. For example, choice of lifestyle, work commitments or child care arrangements make it inconvenient or difficult to transport the student to and from school each day. If there is more than 1 transport pick-up point, provide details of the shortest practical route.

The student has a disability or other health related condition

This includes students who have a physical or intellectual disability, a psychological, emotional or behavioural problem, a medical condition or are pregnant.

The student requires a special school program or special facilities

The table below gives acceptable reasons for approval of AIC for a student with disabilities, other health-related condition(s) or special education need(s), and lists the documentation you will need to provide.

Basis of Claim	Evidence required
The student needs to attend a special school which specifically caters for students with disabilities, other health-related conditions or learning difficulties.	No evidence required.
The student needs access to special facilities for a health-related condition.	Medical evidence* to establish the nature of the condition and a statement from the facility outlining how it will help the treatment of the student's condition.
The student needs to live in a different environment for health reasons (for example, needs to live in a different climate or needs to avoid lengthy travel).	Medical evidence* to establish the nature of the condition including (where necessary) confirmation that the environment will help the treatment of the student's condition.
The student needs to be removed from local school environment.	A statement from state or territory education authority (not local school) supporting the request for the student to bypass the local school, and where applicable, medical evidence* to establish the nature of the condition and establish the connection between the condition and local school environment.
The student needs to study from home for health related reasons.	Medical evidence* to establish the nature of the condition including, where necessary, a statement about why study in the home environment is required. If the student needs access to special facilities, evidence will be needed about whether their local state school(s) has facilities to help them attend that school.
The student requires diagnostic testing and/or specialist support/remedial tuition for a diagnosed learning need or disability.	A statement from state or territory education authorities (or specialist assessment service used by those authorities) supporting the need for testing/ learning support or remedial program and that it is not available locally. Where the student needs diagnostic testing or support for a learning disability, the statement should advise the period for which the testing/ support is required. Where the student needs learning support provided by a specialist teacher or facility for at least one and a half hours a week, evidence from the school principal/director of the facility is required giving details of the program.
The student's education would be seriously disadvantaged if they were to attend the local state school.	A statement from state or territory education authority (not local school) supporting the request for the student to bypass the local school and stating the reason the student would otherwise be seriously educationally disadvantaged. Call us on 132 318 to find out who you should contact in the state or territory education authority about this.
The student received AIC in Year 11 and is continuing in Year 12 at the same school.	No evidence is required. Centrelink will verify eligibility from previous AIC records.

* Call us on **132 318** for details. You will need to get the **Assistance for Isolated Children Medical Statement – Student Special Needs (SY099)** form completed by yourself and the Medical Practitioner/Specialist and return it with the **Claim for Assistance for Isolated Children (AIC) (SY040)** form. If you are claiming AIC for a previous year, the form must be dated no earlier than 1 July of that year.

If you do not have this form, go to servicesaustralia.gov.au/isolatedchildren

State school offers tuition at the student's level

Generally, a state school is regarded as offering tuition at the student's level even if some or all of the subjects are delivered by distance education methods rather than by face-to-face teaching methods.

If the student has a disability, other health-related condition or a learning difficulty, give the name and address of the nearest state school or institution that can meet the student's needs.

If a selective or specialist school is the nearest state school to the student's principal family home, it will not be relevant in deciding if the student is geographically isolated unless the student attends that school.

If the student is under the minimum education or training participation age in their state or territory and doing tertiary study, for example, a TAFE course, give details of the nearest state secondary school offering tuition in the grade or year appropriate for the student's age.

Work of parent(s) requires frequent moves

The following evidence will need to be provided to support a claim on this basis:

Basis of Claim	Evidence required
<p>Your work requires frequent moves for 1 of the following reasons:</p> <ul style="list-style-type: none"> • you need to relocate the family for work • you need to work onsite and do not operate out of a base • you relocate at least 5 times a year for work • your livelihood has an itinerant lifestyle, for example, a shearer or fruit picker • if your child travelled with you, they would miss at least 100 school days at a local state school in a year. 	<p>A statement from the applicant showing details of travel movements for the past 12 months (including dates and locations of work/employment) and planned travel movements in the year of study (including dates and locations of proposed work/employment) and supporting evidence from employer(s) or other authorities. If the relocation of the family involves the placement of the majority of their belongings in storage, a statement from the storage company verifying this will be required.</p>

Note: This provision does not apply to a student whose parent(s)/guardian(s) are unemployed and travel widely and frequently in search of suitable employment.

Claiming in anticipation of a change in family's circumstances that would make student eligible for AIC later in the year

The following evidence will need to be provided to support a claim on this basis.

Basis of Claim	Evidence required
<p>The student was placed into boarding, a second home has been set up so the student has access to schooling, or the student has commenced distance education or other approved education in anticipation of the change in the family's circumstances that would make the student eligible for AIC later in the year.</p>	<p>To receive back payment of AIC, evidence is needed that the parent or guardian was aware of the proposed change of circumstances at the time the student began boarding, study by distance education or other approved education or started living in the second home.</p> <p>The type of evidence depends on the particular change in the family's circumstances that would make the student eligible for AIC later in the year. For example, if a parent or guardian was advised of a proposed job transfer to a geographically isolated area, evidence would be a statement from an employer that shows when they were advised of a proposed job transfer. If a parent or guardian was advised of a future change in school bus services, evidence would be a copy of a letter from a bus company advising when they were advised of the service changes.</p>

Australian residence requirements

To be eligible for Assistance for Isolated Children (AIC), you and the student you are claiming for must meet residence requirements.

You and the student you are claiming for must be living in Australia and one of the following:

- an Australian citizen
- the holder of a permanent residence visa
- a New Zealand citizen who has permanently settled in Australia (a waiting period may also apply).

You are 'living in Australia' if Australia is your usual place of residence. That is, Australia is where you make your home.

When we are deciding if you are living in Australia we will look at:

- the nature of your accommodation
- the nature and extent of your family relationships in Australia
- the nature and extent of your employment, business or financial ties with Australia
- the frequency and duration of your travel outside Australia
- any other matter we think is relevant.

Where a New Zealand citizen has a partner living in New Zealand, they must be moving to Australia within 6 months.

Evidence of permanent residence status must be provided for you and the student you are claiming for as follows:

- Permanent residence visa holders – provide your passport with an Australian visa.
- New Zealand citizens – provide your New Zealand passport.

Who can get AIC

Approved applicant

The person applying for AIC must be 1 of the student's natural or adoptive parents **or** a person having prime or joint responsibility for the student's care and financial support, for example, a step-parent, guardian.

The applicant must sign the declaration at the end of the claim, give their tax file number unless an exemption applies and is responsible for repaying any debt incurred in respect of the claim.

A claim may be accepted from an organisation where the student lives under the care of a non-government organisation which has full responsibility for the upkeep of the student. Organisations should also complete and return the ***Assistance for Isolated Children (AIC) Organisation details (SY067)*** form. If you do not have this form, go to servicesaustralia.gov.au/forms

Principal family home

The principal family home is the family's usual place of residence. It is the home where at least 1 parent/guardian lives for more than half the period for which AIC is being claimed. It is also the home where the student would normally live so they can attend school and where they would normally live during school holidays.

Study requirements

Students must be enrolled in, and be doing, full-time education or training to be eligible for AIC. Approved courses for AIC include primary and secondary level or equivalent courses as well as some tertiary vocational educational and training (for example, TAFE) certificate courses.

For a student at a school, distance education centre or other institution, including students with a health-related condition or disability, a full-time study load is the amount of education or training that the school or other institution regards as a full-time amount for that student.

Student details

Supporting documentation

Where no previous payments such as Family Allowance, Family Payment, Family Tax Benefit, Child Care Benefit, Maternity Allowance, Baby Bonus or Newborn Supplement have been paid for the student, proof of their age is required before AIC payments can start if this is the first claim for that student. The normal requirement is for either:

- the student's birth certificate or birth certificate extract
- a current Australian passport which shows the student's date of birth.

If neither is available, acceptable alternatives include:

- official citizenship or residence papers which show the student's date of birth
- the student's registration of birth receipt.

Evidence is often required to support an AIC claim. Normally original documents or copies that have been certified by a Justice of the Peace or Commissioner of Declarations are required.

Applicants living in isolated areas, however, may have their original documents copied and endorsed by an official of the local court, police station or other government office. The copies must be stamped (if an office stamp is used), signed and dated by the official viewing the original documents.

Other Australian Government assistance

Education or training assistance – The student cannot be assisted by more than 1 Australian Government education or training scheme at the same time.

You should compare entitlements available under the different schemes so you can choose the one that will best help your family. For example, at age 16, some families have the choice of continuing to receive assistance for the student under AIC and Family Tax Benefit or receive assistance under Youth Allowance or ABSTUDY, that are means tested on parental income, assets and in certain circumstances actual means.

If you are eligible for AIC term in advance payments (see 'Payment details' on page 14) and the student turns 16 years of age during the year, we may contact you about paying AIC only to the day before the student's 16th birthday. We can help your family decide if it may be more beneficial to keep receiving AIC for the student or for them to claim Youth Allowance or another payment in their own right. Paying AIC only to that day will reduce the chance of an AIC debt if the student receives another payment from their 16th birthday.

You should also consider:

- If a dependent student is 16 years of age or older and needs to live away from home in order to study, they may be eligible for Youth Allowance or ABSTUDY Living Allowance (that is means-tested) instead of AIC.
- Family Tax Benefit is not payable when a student turns 16 years of age and receives payments such as Youth Allowance, ABSTUDY, Veterans' Children Education Scheme or the Military Rehabilitation and Compensation Act Education and Training Scheme allowances or Disability Support Pension.
- Family Tax Benefit continues to be payable for dependent students aged 16 and 17 studying towards a year 12 or equivalent qualification, who do not need to live away from home in order to study.
- Family Tax Benefit is also payable for a student aged 16 years or over who continues to qualify for Assistance for Isolated Children (AIC) payments. It may also be more beneficial for Family Tax Benefit and AIC payments to be claimed, or continue, for a student living away from home when they turn 16 years of age, instead of them claiming Youth Allowance.
- If the student is an Australian Aboriginal or a Torres Strait Islander doing approved study, they (or their parent/guardian, if the student is under 16 years of age) can claim ABSTUDY instead of AIC. ABSTUDY is available for students doing secondary studies (as well as for certain primary school students 14 years of age or older as at 1 January in the year of study) or who need to repeat their final year of primary school at another location.
- Boarding or other assistance from a state or territory government may also be payable to eligible isolated families in addition to AIC.

Continued

Both the family and the student's circumstances need to be considered carefully. The relationship between AIC and other Australian Government payments is set out below:

If the student/young person (for whom AIC is claimed) receives or qualifies for:	AIC is affected in this way
Disability Support Pension, Parenting Payment (single)	Families of students receiving 1 of these payments may qualify for an AIC Pensioner Education Supplement if studying at primary level.
Youth Allowance, ABSTUDY, Farm Household Allowance or another Australian Government income support payment	AIC is not payable from the date the young person (for whom AIC is claimed) receives 1 of these payments. If the student decides to claim another payment, you may be overpaid where AIC payments are made a term in advance. To reduce the chance of a debt, you should advise us at least 2 days before the date of the advance payment that covers the period the student will be making their claim.
Family Tax Benefit	This payment is normally paid to the student's parent or guardian and does not affect AIC benefits. Family Tax Benefit Part A and Part B is payable for the same child or when a full-time student aged 16 years of age or older continues to qualify for AIC.
If you or your partner or dependent child receives, or has received:	AIC Second Home Allowance is affected in this way
Rent Assistance, the First Home Owners Grant or state/territory government first home owner assistance or financial concession (for example, stamp duty concession) for a residence being claimed as a second home.	The allowance is not payable from the date you or your partner or dependent child receives Rent Assistance. The allowance is not payable if you or your partner or dependent child has ever received the First Home Owners Grant or state/ territory government first home owner assistance for that residence.

For more information, go to servicesaustralia.gov.au/isolatedchildren

School term living arrangements

Boarding students

Board can be at a boarding school, hostel or private residence. A student is in a private boarding arrangement if the residence is not maintained by the student's immediate family but a boarding fee is paid to the person providing the board.

Students living in a second home

Maintaining a second home includes the student's family paying or contributing to rent, utilities charges such as electricity, water and/or gas consumption. Where the second home is owned, or being bought, this includes paying or contributing to council rates, water rates, land tax and/or mortgage as well as utilities charges.

To qualify for Second Home Allowance, at least 1 parent/guardian must live in the principal family home for more than half the period for which AIC is being claimed. A family can receive Second Home Allowance for up to 3 children living in the second home and attending school daily.

Students living at home doing distance education, home schooling or attending a Homeland Learning Centre

Distance education includes enrolment in a distance education school, centre or a school of the air. Students who attend a Northern Territory Homeland Learning Centre may also get Distance Education Allowance.

Students living at the principal family home or second home who are enrolled in distance education study, registered for home education/schooling or doing other approved education in the home may get Distance Education Allowance. Other approved education includes where a student with an injury or illness needs to stay at home for a limited period and their local school provides them with lessons or assignments to do at home.

Home schooling or home education is approved study where you provide the student's education in the family home and you are registered by the relevant state or territory education authority. Students who travel to school each day from the family home, and are not studying in the family home, cannot get the Distance Education Allowance.

The full-time rate of Distance Education Allowance is paid for full-time study but in some cases it can be paid at less than the full-time rate.

A part-time or pro-rata rate can be paid if the student with a special need or other circumstance is studying for less than 4 school days a week by distance education, home schooling or doing work set by the school for them to do at home. This part-time home-based study usually happens where the student is attending a local school for other days or parts of the school week for socialisation reasons or under a plan for their gradual return to full-time school attendance.

Both parents living in second home

To qualify for Second Home Allowance at least 1 parent/guardian must live in the principal family home for more than half the period for which AIC is being claimed. However, if an applicant has received Second Home Allowance in 2005 for a student (on the basis that both parents/guardians are living in the second home) that student will continue to be deemed as geographically isolated until the completion or discontinuation of their course, or arrangements for their principal family home change.

Parental income

Additional Boarding Allowance

Applying for Additional Boarding Allowance

Additional Boarding Allowance (ABA) may be paid depending on the level of family income and the actual boarding fees paid for the student. If you receive certain forms of income support from the Australian Government or hold a Health Care Card, we will, depending on the student's actual boarding fees, automatically pay you, if eligible, the ABA.

You **do not** need to answer questions 77 to 92, unless you are applying for the income-tested ABA.

Student in state/substitute care

If a student in state/substitute care needs to board away from the home of their officially approved carer to attend school, the carer may qualify for ABA only if they do not receive a state or territory government allowance for the student.

If a foster care or similar allowance is received by:

- an organisation (applying on behalf of a student), then ABA is not payable
- the carer (or their partner), then ABA is not payable.

Parental Income Test

The Parental Income Test includes:

- taxable income plus fringe benefits received from employers
- income from outside Australia
- net investment losses, including negative gearing from property and shares
- reportable superannuation contributions
- tax free pensions and benefits.

Maintenance paid out for any dependent children is deducted from the combined parental income for the Parental Income Test.

Maintenance income for the upkeep of a child or partner maintenance can include any of the following:

- cash
- lump sum payments and non-cash amounts
- utilities charges
- school fees
- other payments made on behalf, or for the benefit, of the child.

Exemption from the Parental Income Test

The Parental Income Test will not apply if you (or your partner):

- get an income support payment – but not Family Tax Benefit
- get ABSTUDY Living Allowance
- have a Health Care Card, but not a:
 - Low Income Health Care Card
 - Mobility Allowance or Carer Allowance card for a child with a disability.

When we calculate your Additional Boarding Allowance and the Parental Income Test does not apply, we will look at your child's actual boarding costs.

Australian taxable income

Australian taxable income includes:

- taxable income shown on a Notice of Assessment (NOA) issued by the Australian Taxation Office (ATO)
- any taxable pensions, allowances, payments or benefits received from us or the Department of Veterans' Affairs (DVA)
- income received below the tax threshold, less any deductions allowable for taxation purposes.

The **BASE tax year** is the financial year ending before 1 January of the year of study.

Acceptable evidence of income

If you have a NOA issued by the ATO for the BASE tax year, a copy of this must be provided as proof of income. If you (or your partner) do not have a NOA for the BASE tax year, any 1 of the following evidence is acceptable:

- a copy of your (or your partner's) income tax return for the BASE tax year
- a letter from your accountant/tax agent stating that 'Income received by you (and/or your partner), is not expected to exceed \$xxxx'
- if you (or your partner) received a taxable pension from DVA for the full BASE tax year (and no longer receive it), a statement of benefit from that department
- payment summary and/or statements of benefit supported by a statutory declaration (or accountant certification) confirming that these show the full amount of taxable income received by you (or your partner) during the BASE tax year.

Where proof of income other than a NOA is supplied, it is accepted on an interim basis. However, an original NOA or certified copy must be supplied as soon as they are available.

Reportable fringe benefits

Reportable fringe benefits are provided by your employer and are counted as income. Reportable fringe benefits are non-cash benefits received (or assigned to someone else) from your employment.

Examples of reportable fringe benefits provided by employers include:

- helping pay rent or a home loan
- providing a home phone
- providing a car
- paying child(ren)'s school fees
- paying health insurance premiums
- paying child care expenses.

An employer's contribution to a complying superannuation fund is not a fringe benefit.

Continued

The value of any reportable fringe benefits will be shown on your payment summary for the financial year ending 30 June. You can ask your employer to tell you the amount that is expected to be shown on your payment summary.

Exempt reportable fringe benefits

Exempt reportable fringe benefits are any reportable fringe benefits received from a not for profit organisation which is eligible for a fringe benefits tax exemption under section 57A of the *Fringe Benefits Tax Assessment Act 1986*. You should check with your employer's payroll area if you are not sure if you receive exempt reportable fringe benefits.

Other reportable fringe benefits

Any reportable fringe benefits received from all other employers that are not eligible for a fringe benefits tax exemption.

Income from outside Australia

Gross income earned or received outside Australia must be included under the Parental Income Test. The evidence required is the same as for Australian taxable income. The evidence, or an attached explanatory statement, must clearly show the total amount in the currency of the country outside Australia. We will convert the amount into Australian currency.

Net investment losses

Net investment losses include net losses from rental property (negative gearing) and non-property income investments such as shares. Investment earnings include taxable and tax-exempt interest, dividends and rental income. The value of such losses is added back to parental income for the Parental Income Test.

Rental property for AIC purposes includes a house, a home unit, a room in your home, an on-site caravan, a house boat and any other similar rental property (including rental property outside Australia) for which rent or premiums were received.

Reportable Superannuation Contributions

Reportable superannuation contributions are counted as part of parental income and include discretionary employer superannuation contributions (such as voluntary salary sacrificed amounts) paid by you or on your behalf and, for the self-employed, total superannuation contributions which will be claimed as a tax deduction.

If you (or your partner) are affected, you (or your partner) must provide your Payment Summary or personal income tax return that shows the contribution. Contact us about what evidence is required if you (or your partner) have salary sacrificed to the benefit of your partner's superannuation or they are between age pension age and 70 years of age.

Tax free pensions and benefits

Tax free pensions and benefits are certain non-taxable pensions or benefits received in the relevant tax year from us, the Department of Veterans' Affairs or the Military Rehabilitation and Compensation Commission. It includes Disability Support Pension, Carer Payment or Wife Pension and similar pensions or benefits. It does not include Family Tax Benefit, Child Care Benefit, Child Care Rebate, Child Care Subsidy, Carer Allowance or Mobility Allowance.

Change in Income

The income test is normally based on the BASE tax year income, but if there has been a decrease or an increase in income since that time, entitlement to the Additional Boarding Allowance may be affected.

Decrease in income: If there has been a substantial and lasting drop in income, you may apply for a Current Income Assessment by contacting us. If the concession is granted, you will be assessed on the basis of estimated (or actual) income for the financial year following the BASE tax year, effective from the date of the decrease or 1 January in the year of study, whichever is the later.

Continued

If your AIC payment(s) are worked out using your estimated income, you will be asked to provide a NOA issued by the ATO when available. Your AIC payment(s) will then be reassessed on the basis of the actual income details.

Note: Claims based on seasonal or short term market fluctuations may not be approved unless special circumstances exist.

Increase in income: If parental income for the financial year following the BASE tax year increases by more than 25% from the BASE tax year parental income, you must inform us as soon as possible (after the end of the current financial year). Your Additional Boarding Allowance entitlement may be reassessed on the higher income with effect from 1 October.

If parental income for the CURRENT tax year has decreased substantially or increased by more than 25% compared to the BASE tax year income, you should complete and return the ***Assistance for Isolated Children (AIC) CURRENT tax year Assessment (SY042)*** form. If you do not have this form, go to servicesaustralia.gov.au/isolatedchildren.

Payment details

The following payments are made **a term in advance**:

- Boarding Allowance for students at a boarding school, hostel, other residential institution, or boarding under the 'homestay trial' in Queensland
- Distance Education Allowance
- Pensioner Education Supplement for students at a boarding school, hostel or other residential institution.

The following payments are made **fortnightly in arrears**:

- Boarding Allowance for students boarding privately
- Second Home Allowance
- Pensioner Education Supplement for students boarding privately.

Tax file number details

How to get a tax file number (TFN)

If you are applying for AIC for the first time and you do not know your TFN or have never had one, you will need to apply for a TFN at the Australian Taxation Office (ATO). This can be done at one of our service centres, through the ATO online TFN application or directly to the ATO.

If you have a partner, their TFN is only required if Additional Boarding Allowance is being claimed.

Exemptions

You do not have to give us a TFN(s) if you (and/or your partner):

- receive a pension or Special Benefit from us or certain pensions from DVA
- are temporarily outside Australia. A TFN must be provided on your return to Australia
- are an Aboriginal or Torres Strait Islander person and attending traditional ceremonies at the time the form is lodged. A TFN must be provided on your return from participation in that ceremony
- are at risk from another person and your physical safety could be at increased risk by the disclosure of a TFN
- have lost all records of your TFN because of fire or flood damage to your home within the 6 months before applying for AIC.

If any of these situations applies to you (and/or your partner), provide a note with this form.

If you do not tell us about changes, **you could have a debt**. If you have a debt, even though the payment was made to another person or organisation, you may have to pay all or some of the money back.

After claiming **Assistance for Isolated Children**, you must tell us **within 14 days** if any of the following happens.

To advise us of changes, call us on **132 318**.

Change of address

- If the principal family home address of the applicant, their partner or the student changes
- If the student's term address or term living arrangements change
- If the student ceases to board away from home, or live in a second family home, while doing study.

Change in family's geographic isolation

- If the geographic isolation or other reason for which Assistance for Isolated Children Scheme was granted ceases.

If the student:

- does not enrol at the school, in the distance education course or other education or training course
- is not registered, or is no longer registered, for homeschooling
- does not begin school within the first 2 weeks after the first day on which the course is offered or on the day on which the student commences boarding
- does not begin their distance education course or homeschooling within the first 2 weeks
- discontinues their course, education or training or discontinues full-time education, study or training
- has his or her enrolment cancelled by the education institution
- starts to receive an education or vocational training assistance from the Australian Government
- starts to receive ABSTUDY, Youth Allowance, Sickness Allowance, Special Benefit or other Australian Government income support payment, pension or allowance
- begins a full-time apprenticeship or traineeship
- is taken into lawful custody
- changes their foster or state care arrangements
- moves from one parent/guardian residence to the other parent/guardian residence as a result of the parent/guardian divorce or separation
- is now the financial or legal responsibility, or in the care and custody, of another person
- changes their arrangements for travel to and from the principal family home to the school
- ceases to be an Australian citizen or an Australian resident
- as a New Zealand citizen, ceases to be the holder of a special category or special purpose visa or ceases to be permanently settled in Australia
- is boarding and their boarding fees or costs change, or
- is deceased.

If the applicant (usually the parent or guardian):

- ceases to have financial or legal responsibility or care and custody of the student
- marries, is in or commences a registered or de facto relationship or reconciles with a former partner
- separates from their partner
- has a partner who dies
- is taken into lawful custody
- is admitted to a psychiatric institution
- ceases to be an Australian citizen or an Australian permanent resident
- as a New Zealand citizen, ceases to be the holder of a special category or special purpose visa or ceases to be permanently settled in Australia
- receives Second Home Allowance and begins to be paid Rent Assistance from us or another Australian Government agency for their second home

- receives Second Home Allowance and has been paid a First Home Owners Grant or state/territory first home owner assistance for their second home
- receives Additional Boarding Allowance and the income he or she or their partner earns or receives varies from the last estimate of income given to us
- receives Additional Boarding Allowance and there are changes in the circumstances of any dependent children in the family receiving or eligible for one of the following:
 - Assistance for Isolated Children (Additional Boarding Allowance)
 - Youth Allowance
 - ABSTUDY (living or boarding related allowances)
 - attracting Family Tax Benefit as a child aged 16 years of age or over in full-time secondary study
- receives Additional Boarding Allowance and their and their partner's income for the financial year ending in the year, for which the allowance is being received, increases by more than 25% from the previous financial year
- receives Additional Boarding Allowance and ceases to be paid an Australian Government income support payment, pension, allowance or ABSTUDY
- receives Additional Boarding Allowance and ceases to be entitled to a Health Care Card
- receives Additional Boarding Allowance and a child ceases to be in their care, or the number of dependent children in their care changes.

Travelling outside Australia

You need to tell us if you or the student are leaving Australia to travel or live in another country. Travelling outside Australia may affect your payments.

For more information, go to servicessaustralia.gov.au/paymentoverseas

Other payments

Payment and Service Finder

To find help, estimate and compare payments and services you may be eligible for, go to servicessaustralia.gov.au/paymentfinder

Family assistance

Family Tax Benefit helps with the cost of raising children. It is made up of 2 parts: Family Tax Benefit Part A and Family Tax Benefit Part B.

Family Tax Benefit Part A is paid for each child. The amount you get is based on your family's circumstances. If you or your partner has given birth or adopted a child, you may receive an increase to your Family Tax Benefit Part A called Newborn Upfront Payment and Newborn Supplement.

Family Tax Benefit Part B gives extra help to single parents, non-parent carers, including grandparents, and couples with one main income earner.

Child support and family assistance are closely linked. If you receive child support and Family Tax Benefit, the child support you receive will be considered when we work out your Family Tax Benefit payment.

Family Tax Benefit is income tested.

Your income estimate must include your and your partner's (if you have one) adjusted taxable income, including any income support payments you may receive, for example Parenting Payment, JobSeeker Payment, Disability Support Pension.

For more information, go to servicessaustralia.gov.au/families