

**CHRIS BOWEN MP
MINISTER FOR HUMAN SERVICES
MINISTER FOR FINANCIAL SERVICES, SUPERANNUATION &
CORPORATE LAW**

MEDIA RELEASE

7 July 2009

\$32 MILLION IN CHILD SUPPORT DEBT RECOVERED

The Child Support Agency (CSA) has been able to recoup \$32.4 million in outstanding child support payments through the Tax Refund Interception Process following an increase in the lodgement of tax returns.

As the payment of the Government's Tax Bonus was dependent on the lodgement of a 2007-08 tax return, the lodgement of tax returns has increased significantly compared with the same period last year.

"In the 5 months to 30 June 2009, there has been a doubling of both the number of tax intercepts and the amount of child support debt recovered," the Minister for Human Services, Chris Bowen said.

"The lodging of returns has created greater opportunities for the Government to recover overdue child support, and the end beneficiary of these payments is of course the children of separated families.

"It is also important to note that the overwhelming majority of parents in separated families arrange their child support payments in either private collect arrangements or in a timely fashion through the Child Support Program. However, the level of outstanding child support is significant and it is important that the Child Support Agency continues to focus on recovering or collecting all outstanding payments."

	2008		2009	
	Overdue payment collection	Tax return intercepts	Overdue payment collection	Tax return intercepts
FEB	\$3.1m	2,896	\$4.7m	3,885
MAR	\$2.9m	2,597	\$7.0m	6,077
APR	\$3.0m	2,786	\$6.6m	5,658
MAY	\$3.2m	3,330	\$7.0m	5,707
JUNE	\$2.4m	2,271	\$7.1m	5,470
TOTAL	\$14.6	13,880	\$32.4m	26,797

The CSA has the appropriate power to intercept tax returns when there is overdue child support, as well as the ability to recover outstanding payments from bank accounts where no payment arrangements are in place.

The CSA generally uses its powers to obtain funds from bank accounts only after discussion and negotiation with customers regarding payment has failed.