

An overview of Farm Household Allowance



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When you start getting Farm Household Allowance (FHA) your Farm Household Case Officer will contact you. They'll guide and support you through your time on payment.

YEAR 1

Starting on FHA

Your **Farm Household Case Officer** will ask you to complete the **Farm Financial Assessment (FFA)**. This is due 28 days after you get a letter from us about it or your FHA payment may stop. Talk to your case officer as soon as possible if you need more time.

After completing your FFA you need to meet with your case officer to work out your **Financial Improvement Agreement**. You have 28 days to enter into an agreement or your FHA payment may stop. Talk to your case officer as soon as possible if you need more time.

Your case officer can refer you to a **Rural Financial Counsellor** who can help you work out your financial and business options. They can prepare you for meetings with your lenders and go along for support. You can work with a Rural Financial Counsellor at any stage before, during or after getting FHA.

YEAR 2

Making the most of FHA

Your Financial Improvement Agreement will include activities aimed at improving your financial situation. You might get an **Activity Supplement** worth \$3,000. Check with your case officer before you start an activity.

Your case officer will contact you every 3 months to check how you're going with your activities.

To make sure we pay you the right amount, you need to update your estimate of your farm business income when it changes. We'll send you a reminder about this each June.

If you have any off farm income, you need to report this every fortnight. If you have no income, you need to report every 6 weeks. The easiest way to report earnings is online or by calling **133 276**.

If your circumstances change or if you want to make changes to your agreed activities, talk to your case officer.

Each year you'll need to send us your personal and business tax returns so we can do a **farm business income reconciliation**. That lets us work out if we've paid you the right amount.

If your financial situation improves, let us know as soon as possible so you don't get overpaid and have to pay us back.

YEAR 4

Preparing to come off FHA

If you stop getting FHA before 4 years are up, you can always claim again later if you need to.

There's an additional **Activity Supplement** of up to \$1,000 you can use in your third or fourth year. This is for activities to help you improve your financial situation fast.

When you are close to the end of 4 years on FHA your case officer will help you to exit the program.



Australian Government
Department of Human Services

humanservices.gov.au

Immediate relief for farming families

Between 1 September 2018 and 1 June 2019, if you get Farm Household Allowance (FHA) you'll get up to two lump sum payments. Couples in a household will get up to an additional \$12,000 (\$3,000 each paid twice) and single households will get up to \$7,200 (\$3,600 paid twice).

The farm asset test also increased to \$5 million until 30 June 2019. This means more farmers may get FHA.

For more information go to humanservices.gov.au/farmhouseholdallowance

Farm Household Allowance

This is a fortnightly payment for farmers or their partners who are in financial hardship. FHA can be paid for a maximum of 1460 days—4 years. You can go on and off FHA as you need it. The amount of FHA you get depends on your income and assets. Let us know if your income or assets go up or down so we pay you the right amount.

Farm Household Case Officer

You're assigned a Farm Household Case Officer when you get FHA. These officers work for the Department of Human Services and make sure you're doing what you need to do to keep getting FHA. You'll usually have at least two face-to-face meetings with your case officer over the 4 years. They'll also check in with you every 3 months, and may contact you by email. If you have questions about FHA, call your case officer.

Farm Financial Assessment

This is a report about your personal and farm finances that you and your prescribed adviser need to complete online. It helps you and your case officer understand how your farm business is operating and where improvements can be made. You get up to \$1,500 to pay for the assessment. You need to complete this within 28 days of getting the letter. You do the first part of the assessment, and the prescribed adviser does the rest.

Prescribed adviser

Your accountant or financial adviser may qualify to be your prescribed adviser if they:

- have relevant financial qualifications
- belong to a professional organisation that provides financial advice
- aren't a family member
- don't have any kind of relationship with you that can compromise their ability to provide their services, and
- have internet access.

Financial Improvement Agreement

This agreement sets out your goals and the activities you agree to do over the next 4 years to improve your financial position. For some people, their goal may be to improve productivity. For others, their goal may be to find employment away from the farm.

The agreement can include study or training to help you improve your financial position on or off the farm.

Your case officer will develop this agreement with you which you need to sign. You can change your agreement if your circumstances change. If you can't complete an activity as agreed, talk to your case officer as soon as possible or your FHA payment may stop.

Activity Supplement

An Activity Supplement worth \$3,000 can help pay for activities listed in your Financial Improvement Agreement. The supplement can be used for financial, legal or professional advice, study, training, or counselling. There's an additional Activity Supplement worth \$1,000 that you can use in your third or fourth year. When you find an activity you want to do, check with your case officer that it qualifies for the supplement.

Farm business income reconciliation

We need to check we're paying you the correct amount of FHA. Send us your tax returns and supporting financials each financial year and we'll let you know if you've been paid the right amount. If you've been paid too much you may owe us money. If you haven't been paid enough, you'll get a top up payment.

Rural Financial Counselling Service

This service gives financial counselling to farmers in hardship, at no cost to you. Rural Financial Counsellors can meet you on farm, in town or at another convenient location. They'll look at your current financial position to give you options for the future. They can also help with debt mediation and succession planning. Find a counsellor at agriculture.gov.au/rfcs

Contact us for more information and help

- Call your Farm Household Case Officer
- Call the Farmer Assistance hotline on **132 316**
- Speak to your financial adviser or Rural Financial Counsellor
- Go to humanservices.gov.au/farmhouseholdallowance

The information contained in this publication is intended only as a guide to payments and services. It's your responsibility to decide if you wish to apply for a payment and to make an application, with regard to your particular circumstances.

