



FAMILY LAW

CHILD SUPPORT AGREEMENTS

In Australia, the Child Support Agency (known as CSA) is the government organisation responsible for administering the child support scheme.

CSA is not the same organisation as Centrelink and you should not assume that any information you give to Centrelink will be passed on to CSA and vice versa. If in doubt, check.

Once an application for child support has been lodged, CSA will issue an assessment for any child support that may be payable. If parents can agree however, a child support agreement may be another option.

What is a child support agreement?

A child support agreement provides a more flexible way for parents to arrange child support for their children, provided both parents agree.

However, parents need to be aware that even if they reach an agreement between themselves, CSA may not necessarily accept the agreement if it does not meet certain conditions.

What types of agreements are there?

There are two types of agreements:

- Limited agreements; and
- Binding agreements

Limited agreements are formal, written agreements that are signed by both parents.

For the limited agreement to be accepted by CSA:

- there must already be a child support assessment in place; and
- the agreed amount must be the same (or more) than the child support assessed by way of the CSA formula.

CSA will make a notional assessment of how much child support would be payable if the agreement was not in place. The amount of Family Tax Benefit Part A parents receive from Centrelink will be based on the notional assessment (updated generally every 3 years), not the amount in the agreement.

Parents need to be aware however that if the notional assessment changes by more than 15 per cent in circumstances not considered in the agreement, either parent may be able to end a limited agreement simply by writing to CSA.

Other ways to end a limited agreement are by:

- both parents agreeing to end the agreement;
- more than three years has passed and written notice is provided to the other parent by the parent who wants to end the agreement;
- a Court Order that sets aside the agreement; or
- a new agreement replaces the existing agreement.

Binding child support agreements are different from limited agreements in that:

- parents must seek independent legal advice both to enter into, or end, the agreement;
- each parent's solicitor must provide a statement that they provided the parent with independent legal advice. The agreement must also include an acknowledgement of this advice within the document itself;
- the agreement can be made for any amount that both parents agree to, including amounts less than the CSA assessment;

Child support agreements handout

- the agreement can only be ended by the parents entering into a new binding agreement or by way of a Court Order setting the agreement aside; and
- there does not have to be a child support formula assessment already in place.

This information constitutes general information only. If you require detailed advice on Child Support Agreements, or any other family law issue, please contact Natalie Dimmock at Murfett Legal Pty Ltd on (08) 9388 3100 or natalie@murfett.com.au.