



NSW Stolen Generations Reparations Scheme and Funeral Assistance Fund

Fact Sheet 5 – Centrelink and Tax Information

Reparations payments and their effect on Centrelink payments and taxation

The Commonwealth Department of Social Services and the Australian Tax Office have determined that payments to Stolen Generation survivors from the NSW Stolen Generations Reparations Scheme and the Funeral Assistance Fund are not taxed and do not affect successful claimants' pensions and other Centrelink payments.

The Department of Social Services on 17 May, 2017 registered a legal regulation, the *Social Security (Exempt Lump Sum – NSW Government Payments to Stolen Generations Survivors) Determination 2017* on the Federal Register of Legislation. This means that any reparation and funeral assistance made to Stolen Generations survivors will not fall within the definition of 'ordinary income' under subsection 8(1) of the Social Security Act 1991, and will not be taken into account under the Social Security income test.

Similarly, on the 24 May, 2017, the Australian Tax Office decided that Stolen Generations survivors will not be taxed on payments they receive from the NSW Stolen Generations Reparations Scheme and the Funeral Assistance Fund. This means that any of these payments do not need to be included in any income tax returns as they are not taxable.



For more information

If you need more information on this issue it is available at: <https://www.ato.gov.au/> Taxation Ruling TR 95/35: Income tax: capital gains: treatment of compensation receipts. Or you can email the ATO at TaxADvice@ato.gov.au to ask for a ATO officer to ring you back or ring 13 28 61.