



Social Security Amendment (Liquid Assets Waiting Period) Act 2009

No. 25, 2009

**An Act to amend the law relating to social security,
and for other purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

Contents

1	Short title.....	1
2	Commencement.....	2
3	Schedule(s).....	2
Schedule 1—Amendments		3
Part 1—Main amendments		3
<i>Social Security Act 1991</i>		3
Part 2—Application and transitional provisions		5
Part 3—Technical amendments		7
<i>Income Tax Assessment Act 1936</i>		7
<i>Income Tax Assessment Act 1997</i>		7
<i>Social Security Act 1991</i>		7
<i>Social Security (Administration) Act 1999</i>		7
<i>Veterans' Entitlements Act 1986</i>		7



Social Security Amendment (Liquid Assets Waiting Period) Act 2009

No. 25, 2009

An Act to amend the law relating to social security, and for other purposes

[Assented to 26 March 2009]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Social Security Amendment (Liquid Assets Waiting Period) Act 2009*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	26 March 2009
2. Schedule 1, Parts 1 and 2	1 April 2009.	1 April 2009
3. Schedule 1, Part 3	Immediately after the time specified in the <i>Household Stimulus Package Act (No. 2) 2009</i> for the commencement of Schedule 5 to that Act.	18 February 2009

Note: This table relates only to the provisions of this Act as originally passed by both Houses of the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

- (2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendments

Part 1—Main amendments

Social Security Act 1991

1 Subsection 14A(1) (after paragraph (da)) of the definition of *liquid assets*)

Insert:

(dac) the surrender value of a life policy (within the meaning of the *Life Insurance Act 1995*); or

2 At the end of subsection 14A(1)

Add:

Note: The definition of *maximum reserve* is affected by subsections (6A) and (6B).

3 At the end of section 14A

Add:

(6A) This section has effect for the purposes of Parts 2.11, 2.11A, 2.12 and 2.14 during the designated period as if:

- (a) the reference in paragraph (a) of the definition of *maximum reserve* in subsection (1) to \$2,500 were a reference to \$5,000; and
- (b) the reference in paragraph (b) of that definition to \$5,000 were a reference to \$10,000.

(6B) For the purposes of subsection (6A), the *designated period* is the period beginning on 1 April 2009 and ending at the end of:

- (a) 31 March 2011; or
- (b) if a later date is determined by the Minister by legislative instrument—that later date.

4 Section 19B (after paragraph (fb) of the definition of *liquid assets*)

Insert:

Schedule 1 Amendments
Part 1 Main amendments

(fc) the surrender value of a life policy (within the meaning of the *Life Insurance Act 1995*); or

Part 2—Application and transitional provisions

5 Claims made on or after 1 April 2009

The amendments made by Part 1 of this Schedule apply in relation to a person who makes a claim on or after 1 April 2009 for a social security payment.

6 Persons subject to liquid assets test waiting period at beginning and end of designated period

Persons subject to liquid assets test waiting period at beginning of designated period

- (1) The amendments made by items 1, 2 and 3 of this Schedule apply in relation to a person if:
 - (a) the person is subject to a liquid assets test waiting period on 1 April 2009; and
 - (b) the liquid assets test waiting period started before that date.
- (2) If the application of the amendments made by items 1, 2 and 3 of this Schedule would result in the person's liquid assets test waiting period ending before 1 April 2009, the person's liquid assets test waiting period is taken to end on 31 March 2009.

Persons subject to liquid assets test waiting period after end of designated period

- (3) Subsection 14A(6A) of the *Social Security Act 1991* continues to have effect in relation to a person after the end of the designated period if:
 - (a) the person is subject to a liquid assets test waiting period on the day after the end of the designated period; and
 - (b) the liquid assets test waiting period started before the end of the designated period.

Definitions

- (4) In this item:
designated period means the designated period referred to in subsection 14A(6B) of the *Social Security Act 1991*.

Schedule 1 Amendments

Part 2 Application and transitional provisions

liquid assets test waiting period means a liquid assets test waiting period under Part 2.11, 2.11A, 2.12 or 2.14 of the *Social Security Act 1991*.

Part 3—Technical amendments

Income Tax Assessment Act 1936

7 Subsection 159J(6) (paragraph (adak) of the definition of *separate net income*)

Omit “Act 2009”, substitute “Act (No. 2) 2009”.

Income Tax Assessment Act 1997

8 Section 11-15 (table item headed “family assistance”)

Omit “Household Stimulus Package Act 2009”, substitute “Household Stimulus Package Act (No. 2) 2009”.

9 Section 11-15 (table item headed “social security or like payments”)

Omit “Household Stimulus Package Act 2009”, substitute “Household Stimulus Package Act (No. 2) 2009”.

10 Section 52-165

Omit “Act 2009”, substitute “Act (No. 2) 2009”.

Social Security Act 1991

11 Paragraph 8(8)(yj)

Omit “Act 2009”, substitute “Act (No. 2) 2009”.

Social Security (Administration) Act 1999

12 Section 123TC (paragraph (e) of the definition of *household stimulus payment*)

Omit “Act 2009”, substitute “Act (No. 2) 2009”.

Veterans’ Entitlements Act 1986

13 Paragraph 5H(8)(zgz)

Schedule 1 Amendments
Part 3 Technical amendments

Omit “*Act 2009*”, substitute “*Act (No. 2) 2009*”.

[*Minister’s second reading speech made in—
House of Representatives on 12 March 2009
Senate on 18 March 2009*]

(29/09)
