

Subdivision A—The income test

37 When a person satisfies the *income test*

- (1) A person satisfies the *income test* on a day if the person's adjusted taxable income for the reference income year is not more than the relevant PPL income limit.
- (2) A claimant for parental leave pay also satisfies the *income test* on a day if the Secretary is satisfied that the claimant is eligible for dad and partner pay for the child.

Note: See subsection 115CG(2) for an equivalent provision for a DAPP claimant.

38 A person's *adjusted taxable income*

A person's *adjusted taxable income* for an income year is worked out in accordance with Schedule 3 to the Family Assistance Act (disregarding subclause 2(2) and clauses 3 and 3A of that Schedule).

Note: Schedule 3 to the Family Assistance Act sets out how to work out a person's adjusted taxable income for the purposes of that Act.

39 The *reference income year*

The *reference income year* for a person is:

- (a) if the person is a primary claimant—the income year that ended before the earlier of:
 - (i) the day the person made the claim; and
 - (ii) the day the child was born; and
- (b) if the person is a secondary claimant—the income year that ended before the earlier of:
 - (i) the day the person made the claim; and
 - (ii) the day the person became the child's primary carer.

Note: For the *reference income year* for a DAPP claimant, see section 115CH.

40 The *relevant PPL income limit*

The *relevant PPL income limit* for a person is:

- (a) if the person is a primary claimant—the PPL income limit that applies on the earlier of the following days:
 - (i) the day the person made the claim;
 - (ii) the day the child was born; or
- (b) if the person is a secondary claimant—the PPL income limit that applies on the earlier of the following days:
 - (i) the day the person made the claim;
 - (ii) the day the person became the child's primary carer.

Note: For the *relevant PPL income limit* for a DAPP claimant, see section 115CJ.

41 The *PPL income limit*

The *PPL income limit* that applies on a day is:

- (a) if the day is on or after 1 October 2010 but before 1 July 2020—\$150,000; and

	(b) if the day is on or after an indexation day (the <i>relevant indexation day</i>) but before the next indexation day—the indexed amount on the relevant indexation day worked out under Subdivision B.
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