



# family flyer



## Introduction

The Family Flyer is a free community service by Michael Lynch Family Lawyers. The publication is designed to be informative and topical and to assist you in understanding the ever-changing field of Family Law.

## This edition includes:

- Free Seminars
- Family Law Explained
- Big changes in Child Support
- Beware - New Shared Parenting Laws
- A Birthday - 10 Years Old!
- CGT Rollover Relief gets closer
- How to split Super?
- Federal Magistrates Court - New Jurisdiction
- Court News - Fees

## FREE SEMINARS

We run regular FREE Family Law Seminars. Seminars are currently being run on:

- The New "Shared Parenting" legislation; and
- "Family Law for Financial Planners".

We have been overwhelmed by the large number of requests we have received to present the Seminars, as well as the positive feedback we have received from those who have attended.

If your organisation would like to know more about the new "Shared Parenting" laws, or if you are a Financial Planner and your organisation is wanting to know more about the financial aspects of separation, please call Jess on (07) 3221 4300.

## FAMILY LAW EXPLAINED

If you are after a quick-to-read and easy-to-understand overview of Family Law and our FREE book "A Guide to Family Law - Everyday Answers" is too long, print off a copy of Family Flyer - Issue 46 - "Family Law - A Snapshot" at [www.michaelylchfamilylawyers.com.au](http://www.michaelylchfamilylawyers.com.au). In 2 pages it will give you a quick guide to Family Law, in less than 5 minutes!

## BIG CHANGES IN CHILD SUPPORT

In conjunction with the Shared Parenting changes in the Family Law Act, big changes are also being rolled out for Child Support assessments.

The NEW Child Support changes will be introduced in 3 stages, over a 2 year period.

Stage 1 commenced on 1 July, 2006. Stage 2 will commence in January 2007 and Stage 3 in July 2008.

## Stage 1:

- The maximum annual income threshold for the paying parent has been reduced from \$139,000 to \$104,000.
- Minimum payments have been increased from \$5 per week to \$6 per week.
- Fairer arrangements have been introduced for assessing the capacity of parents to earn income.

## Stage 2:

- Independent reviews of Child Support Agency decisions will be done by the Social Security Appeals Tribunal.
- The Court's powers will be broadened to enable Child Support debts to be enforced through the Court.

## Stage 3:

- A new Child Support formula will start (the formula will treat both parents incomes and living costs more equally and take into account that older children cost more. It will also ensure that children from first and second families will be treated more equally).
- A payers second job and overtime will be treated differently to help with re-establishment (i.e for the first 3 years after separation paying parents will be able to have income from second jobs and overtime excluded from Child Support calculations).
- There will be new "change of assessment" rules.
- Changes to Agreements for Child Support and lump sum payments (i.e better legal protection for parents who want to make long- term agreements and it will be easier to make shorter term agreements).



The changes are extensive and this is only a brief overview. Anyone with queries about their circumstances should obtain Specialist Family Law advice by contacting us on (07) 3221 4300.

## **BEWARE - NEW SHARED PARENTING LAWS**

To vary an existing Court Order you need to be able to establish to the Court that there has been a "significant change in circumstances".

The new "Shared Parenting" legislation specifically states that it in itself does not constitute a "significant change in circumstances".

For anyone who has a current Order and is unsure as to what would constitute a "significant change in circumstances" they should obtain Specialist Family Law advice.

## **A BIRTHDAY - 10 YEARS OLD!**

This year we are celebrating our 10th birthday! 10 years of providing Specialist Family and Relationship Law advice to clients.

Thank you for your continued support in making us one of the largest and most respected Specialist Family Law practices in Queensland.

## **CGT ROLLOVER RELIEF GETS CLOSER**

On 22 June, 2006, the Treasurer introduced a Bill in Parliament proposing amendments to extend marriage breakdown CGT rollover relief to transfers of assets by parties in Binding Financial Agreements.

Debate on the bill is expected in the parliamentary sittings commencing 8 August, 2006.

## **HOW TO SPLIT SUPER?**

A Family Court Judge has recently had to determine how to divide Superannuation and non-Superannuation assets in order to achieve a fair outcome.

The facts:

- The couple were married for 22 years and had 2 children, aged 15 and 12 years;
- The Husband was an Investment Banker and had a greater earning capacity than the Wife. He also had a mortgage capacity;
- The property pool totalled approximately \$1,700,000 (including Superannuation of approximately \$421,000);
- The percentage division was found to be 59%/41% in the Wife's favour. The issue was whether the Wife should receive 59% (specifically) of the Superannuation fund (as per the Husband's proposal) or a total cash payment with no Superannuation (as per the Wife's proposal).

The Judge determined that both parties needed to re-house and that the Wife would have little left over after buying a house outright but that she would have little or no retirement fund if she received all of her entitlement by way of cash.

The Court awarded the Wife a lesser amount of Superannuation, with the balance as cash.

## **FEDERAL MAGISTRATES COURT - NEW JURISDICTION**

With recent amendments commencing on 1 July, 2006, the Federal Magistrates Court now has unlimited jurisdiction in property proceedings (i.e. it was previously limited to \$700,000).

## **COURT NEWS - FEES**

From 1 July, 2006 there are new Court filing fees in the Federal Magistrates Court, i.e:

- Application for Divorce - \$352;
- Application (for children or property) - \$121;
- Response (for children or property) - \$121

### **Contact details**

Michael Lynch Family Lawyers

#### **Principal**

Michael Lynch\*

#### **Senior Associates**

Helen Bryden\*

#### **Associates**

Emily Wood

#### **Solicitors**

Elizabeth Millar

\*Queensland Law Society  
Accredited Family Law Specialists

**Telephone:** 07 3221 4300

**Facsimile:** 07 3221 9454

**Email:** law@mlynch.com.au

**Web:** www.michaellynchfamilylawyers.com.au

**Address:** Level 6  
193 North Quay  
Brisbane Qld 4000

**Post:** PO Box 12027  
George St, Brisbane Qld 4003



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Law Society Mediator

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