

# Child Support Guidelines

A GUIDE TO ADDRESSING FREQUENTLY ASKED QUESTIONS

## WHAT ARE CHILD SUPPORT GUIDELINES?

### HOW CAN THE PUBLIC PROVIDE FEEDBACK REGARDING THE GUIDELINES?

The Ohio Department of Job and Family Services is required by the Ohio Revised Code to review Ohio's basic child support schedule to determine whether child support orders issued in accordance with the schedule and worksheet adequately provide for the needs of the children who are subject to the child support orders. The Department is required to prepare a report of its review and submit a copy of the report to both Houses of the General Assembly. For each four-year review, the Department is required to establish a child support Guidelines Advisory Council, commonly referred to as the Child Support Guidelines Council, to assist the Department in the completion of its reviews and report. The Department is required to consider input from the Council prior to the completion of the report to the General Assembly. The next report is due March 1, 2005.

The Child Support Guidelines Council is gathering public input on the guidelines used to establish child support. Please go to <http://www.ohio.gov/odjfs/csguidelines> for dates, times, and locations of community forums. The community forums are an opportunity for those served by the child support program to offer feedback about the guidelines.

Feedback will also be accepted at the website from July 1- December 1, 2003. In addition, written commentary can be sent to the Ohio Department of Job and Family Services, Office of Legislation, Child Support Guidelines Council, 30 E. Broad St., 32<sup>nd</sup> Floor, Columbus, OH 43215-3414.

In order to establish consistency in the amount of child support orders, the federal government requires child support guidelines to be used by states. The guidelines represent a formula for the calculation of child



support orders. Federal regulations do not require the states to implement a particular formula or model. There are different models used by different states. Ohio utilizes what is known as the income shares model.

The income shares model calculates a child support order by considering the income of both parents and the standard of living that a child would experience if the parents were in the same

household. The percentage of the combined income that each parent contributes helps determine the amount obligated in the support order. The obligor is ordered to pay to the obligee his or her proportional share of child support. Essentially, the income shares model assumes that parents of a child should share in the responsibility for the financial support of children in proportion to their income.

Other examples of models include those based on a percentage of the obligor's income, the Melson formula, and hybrid calculations. The percentage of income model calculates child support as a certain percentage of an obligor's income. The Melson formula, named for a judge who created the formula, considers the income of both parents, includes a self-support reserve, and contains a standard of living

allowance. Hybrid models generally include a percentage of the obligor's income on a sliding scale with the income shares model being used after a particular income threshold is met. Overall, most states consider the income of both parents when calculating a child support order.

Ohio's model utilizes gross income figures from both parents in its calculation process. Gross income is defined as all earned and unearned income from all sources during a calendar year. Examples of items included in gross income are salaries, wages, commissions, royalties, tips, overtime, bonuses, rental income, dividends, interest, trust income, annuities, unemployment benefits, workers' compensation, disability income, military pay, self-generated income, earned income credits, and other income.

## HOW ARE SHARED PARENTING AND SPLIT PARENTING ARRANGEMENTS CONSIDERED?

There is one worksheet provided in the Ohio Revised Code. If there is a shared parenting order, the shared parenting arrangement may provide a basis for deviating from the guideline amount. If there is a split parenting arrangement, the child

support obligation of the parents is offset, and the court generally issues a child support order requiring the parent with the larger child support obligation to pay the net amount to the other parent.



## WHAT ADJUSTMENTS OR EXEMPTIONS ARE PERMITTED?

The guideline calculation process often necessitates adjustments or exemptions to be factored into the calculation. They include the following:

- Exempting income
- Income averaging
- Imputing income
- Deducting other child or spousal support payments
- Crediting childcare and health insurance payments
- Other adjustments

### **Exempt Income**

Means-tested income, such as Supplemental Security Income and public assistance benefits, and child support received for children from another relationship are not counted as income for the purposes of calculating child support.

### **Income Averaging**

Courts or a Child Support Enforcement Agency may choose to average income over a period of time, usually three years, if appropriate. Income averaging may be used in cases

where income varies significantly over a period of months or years. Income averaging is determined on a case-by-case basis.

### **Imputing Income**

Courts or a Child Support Enforcement Agency may impute income. To impute income is to estimate a potential earning capacity, even if the income is not being earned. For example, a parent with no disabilities and able to work could have imputed income of minimum wage earnings or imputed income based on historical income. The decision to impute income is determined on a case-by-case basis.

### **Deducting Other Support**

If a parent is paying child support or spousal support from another relationship, the parent will generally be allowed to deduct that amount paid from gross income. Spousal support from the same relationship may be deducted. To typically qualify as a deduction, the

support payments will be court-ordered and the parent will actually be making the payments.

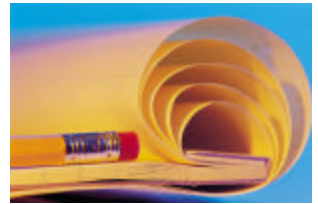
### **Crediting Childcare and Health Insurance**

Net childcare expenses and health insurance paid are added to the combined support obligation as per the child support schedules that consider the income of the parents. After calculating the prorated amount of a parent's obligation, credit is given for the paid expense amount.

### **Other Adjustments**

The amount of the federal tax exemption for each biological or adopted child from a different relationship and living with the parent is considered an income adjustment. Credit is also given for local taxes paid, self-employment FICA, and allowable business expenses.

Ohio's guideline calculation does not include parenting time adjustments. There are arguments for and against parenting time adjustments.



Only courts have the authority to deviate from the guidelines. Courts may deviate if a party to a case presents clear and convincing evidence, based on factors listed in the law, that the child support calculation using the worksheets and schedules is "unjust, inappropriate, and not in the best interest of the child." Some examples of deviation factors include special and unusual needs of the child, extraordinary obligations for a child with disabilities, other court ordered payments, extended parenting time or extraordinary costs associated with parenting time, the earning capacity of a child, the physical and emotional needs of a child, and other relevant factors.

## ARE OBLIGEEES REQUIRED TO DEMONSTRATE HOW CHILD SUPPORT IS UTILIZED?

While the financial responsibility of both parents is included in the income shares model, obligees are not

required to file financial reports or receipts to document the use of child support. There are arguments

for and against specific accounting.

## WHAT IS THE ADMINISTRATIVE ADJUSTMENT & REVIEW PROCESS?

The Administrative Adjustment and Review process is commonly referred to as "modification" of child support orders. An obligor or an obligee may request the Child Support Enforcement Agency to conduct an Administrative Adjustment and Review every 36 months. Under Ohio law, certain circumstances permit a Review before the standard 36-month time frame.

For example, if either party experiences a loss of employment for a period of at least six months, the state permits a review. The loss of employment must be beyond

the party's control and be reasonably expected to continue for an extended period of time.

In addition, if either party becomes permanently disabled, reducing his or her earning capacity, the state permits a review. The disability must be medically verified.

Also, if either party experiences a 30 percent change in gross income for a period of at least six months, the state permits a review. A decrease in income must be beyond the party's control and be reasonably expected to continue for an extended period of time.

With the Administrative Adjustment and Review process, a Child Support Enforcement Agency will present a recommendation – based on the guidelines – for a child support order. Compared to the original order, the recommendation can go up, go down, or stay the same. The agency can recommend a change in the order only if the resultant order differs by at least 10 percent. Within certain timeframes, either party to a case can request the next step in the process, an administrative hearing or a court hearing.

