

Employer Conference June 2024

Payroll Management and Child Support





Presenter

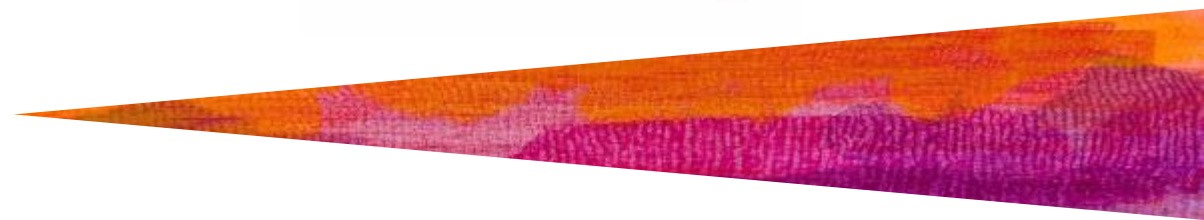
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Income Withholding Orders (IWO)

- ▶ Moved the Paperwork Reduction Act language to the instructions
- ▶ Updated the contact email for questions
- ▶ Bolded the references to tribal child support agencies

INCOME WITHHOLDING FOR SUPPORT		OMB 0970-0154 Expiration Date: 08/31/2026
I. Sender Information: (Completed by the Sender)		Date: _____ 1e
1a ☐ INCOME WITHHOLDING ORDER/NOTICE FOR SUPPORT (IWO)	1b ☐ AMENDED IWO	
1c ☐ ONE-TIME ORDER/NOTICE FOR LUMP SUM PAYMENT	1d ☐ TERMINATION OF IWO	
If ☐ Child Support Agency (CSA) ☐ Court ☐ Attorney ☐ Private Individual/Entity (Check One)		
NOTE: This IWO must be regular on its face. Under certain circumstances, you must reject this IWO and return it to the sender (see IWO instructions www.acf.hhs.gov/css/resource/income-withholding-for-support-instructions). If you receive this document from someone other than a state or tribal CSA or a court, a copy of the underlying support order must be attached.		

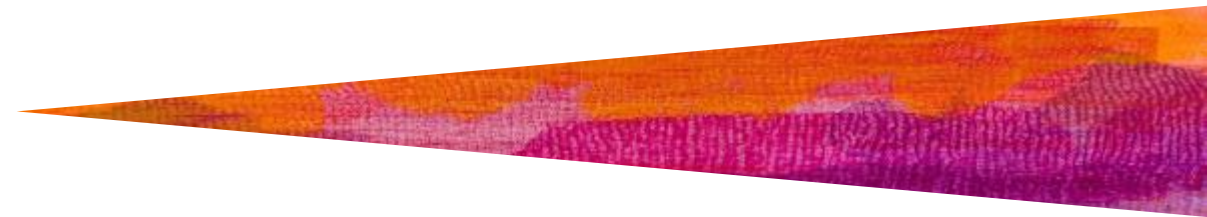


E-IWO



https://www.acf.hhs.gov/sites/default/files/documents/ocse/eiwo_overview.pdf

- ▶ Employers receive and acknowledge IWOs electronically
- ▶ Reduces errors from manual processing
- ▶ Eliminates cost of postage and processing paper documents
- ▶ Allows reporting of upcoming lump-sum payouts and employee terminations
- ▶ Is NOT for making payments





Verification of Employment

Standard form now available:

https://www.acf.hhs.gov/sites/default/files/documents/ocse/standard_response_to_voe_form.pdf

Standard Response to Verification of Employment/Income

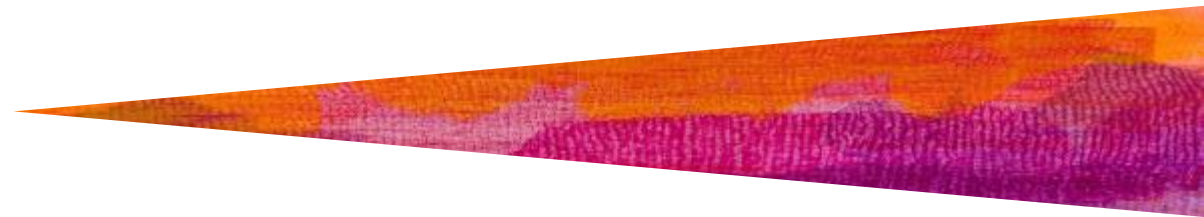
Employers/Payors will provide requested information normally maintained on current and former Employees/Workers/Independent Contractors. Information listed below is provided if available. If additional information not listed on this form is needed, please contact the Employer/Payor.

Employee/Worker Information			
Name:	Other Name(s) Used:		
SSN/TIN:	Case ID:	Date of Birth:	
Employment Status: ☐ Employed ☐ Never Worked Here ☐ No Longer Works Here ☐ Unpaid Leave of Absence			



Lump-Sum Payments

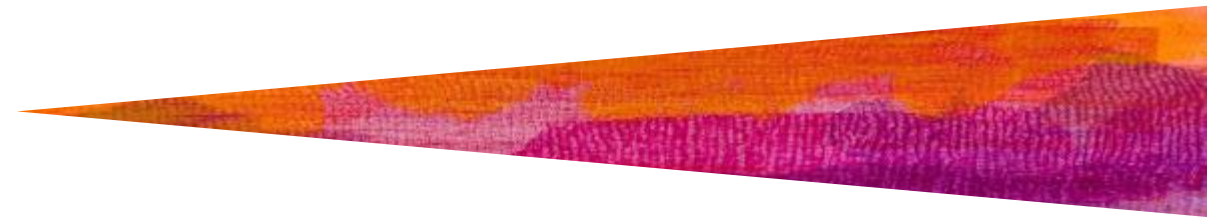
- ▶ Employer notices on withholding:
 - Personal services = Consumer Credit Protection Act limits
 - Not personal services = Withholding up to full amount of owed child support
 - Information on electronic remittance of payments
 - Streamlined account-specific information



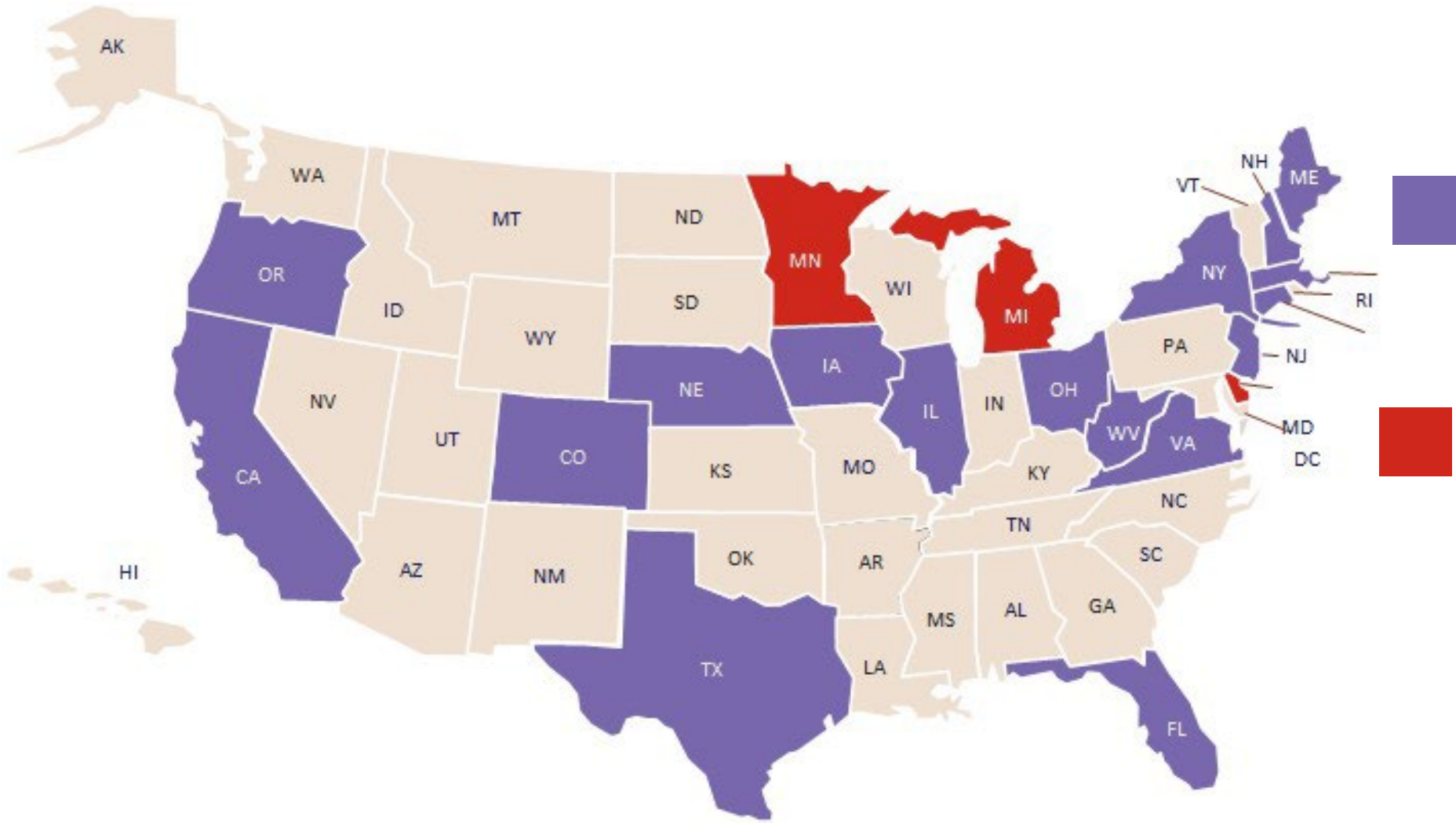


States With Lump-Sum Reporting Requirements

Arkansas	Minnesota	Oregon
Colorado	Mississippi	Pennsylvania
Illinois	Nebraska	Texas
Kansas	Nevada	Washington
Kentucky	New York	West Virginia
Louisiana	North Dakota	
Massachusetts	Ohio	



Independent Contractors



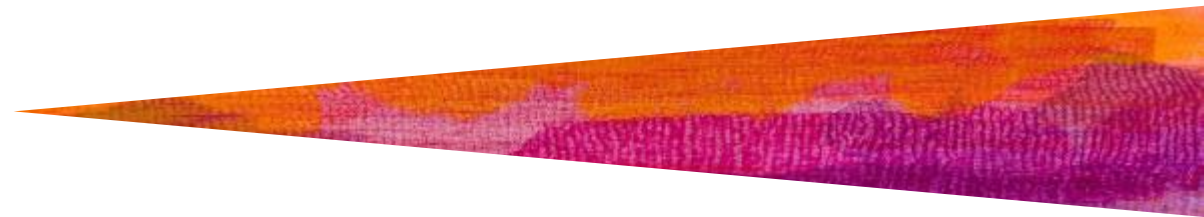
21 States have passed legislation mandating the reporting of IC's to the new hire agencies

4 States reporting required if government companies or contracts
Delaware, Guam, Michigan and Minnesota.¹



Independent Contractors

- ▶ Challenges for both employers and states include:
 - Identifying the individual who owes support as an IC
 - IC pay frequency may not be the same as employees
 - CCPA withholding limits do not apply
 - Determining action required for Medical Support requirements

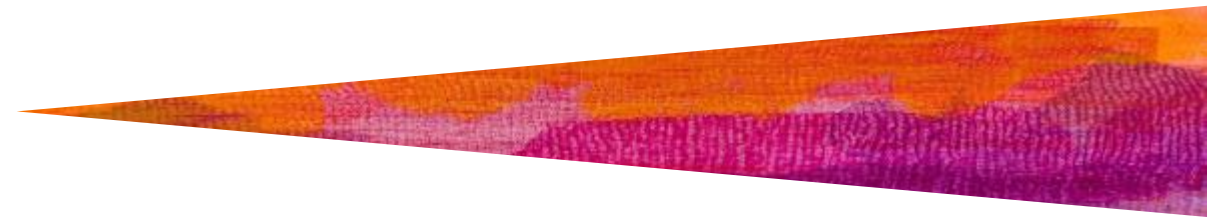




Independent Contractors



- ▶ Employer challenges include:
 - Lack of standardization for reporting
 - IC management and pay is handled through accounts payable, not payroll
 - May miss reporting IC as a new hire
 - Duty to gather and report IC information varies by state
 - Payroll will receive IWO for IC and believe the IWO was erroneously issued

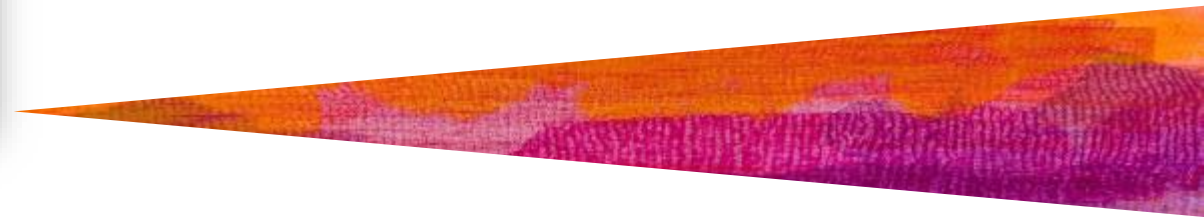




Tribal Child Support

► Two types:

- Tribes that are part of the federal child support program
- Tribal governments operating separately





Child Support Unknowns

► Child support for unborn children:

- Sperm donors
- Fetuses
- Pregnant women

► Artificial Intelligence



The background of the slide is split diagonally from the top-left corner to the bottom-right corner. The upper-left portion is a solid, vibrant orange. The lower-right portion is a textured, mottled purple and magenta, resembling a watercolor or marbled paper effect. The text 'Thank you!' is positioned in the white space of the upper-right quadrant.

Thank you!