



Income Withholding for Support

A Guide to the IWO
April 2011



New IWO Form

- ❖ New version effective 5/31/2012
- ❖ Sender must use revised IWO no later than May 31, 2012
- ❖ Instructions for the IWO are noted in **green**-shaded boxes
- ❖ Notes of interest are noted in **purple**-shaded boxes at the bottom of the slide
- ❖ Instructions are directed to the entity completing the section:
 - Note to Employer/Income Withholder
 - Completed by Sender



Which one is greater?

Number of employers in U.S.?

or

Number of child support cases
with orders in U.S.?



Original/Amended IWO

INCOME WITHHOLDING FOR SUPPORT

- 1a ORIGINAL INCOME WITHHOLDING ORDER/NOTICE FOR SUPPORT (IWO)
- 1b AMENDED IWO
- 1c ONE-TIME ORDER/NOTICE FOR LUMP SUM PAYMENT
- 1d TERMINATION of IWO

Date: _____ 1e _____

- 1a. Sender checks original income withholding order/notice for support (IWO) box if this is the first IWO**
- 1b. Sender checks amended IWO to indicate any changes that must be made to an existing IWO**



One-Time Order/Notice – Lump Sum Payment

INCOME WITHHOLDING FOR SUPPORT

- 1a ORIGINAL INCOME WITHHOLDING ORDER/NOTICE FOR SUPPORT (IWO)
1b AMENDED IWO
1c ONE-TIME ORDER/NOTICE FOR LUMP SUM PAYMENT
1d TERMINATION of IWO

Date: _____ 1e _____

- 1c. Sender checks one-time order/notice to collect a single lump sum payment***
- Amounts are entered in Lump Sum Payment, field 14 in the Amounts to Withhold section***
- Additional IWOs must be issued to collect subsequent lump sum payments***

Sender may check only one block on a form.



Termination of IWO

INCOME WITHHOLDING FOR SUPPORT

- 1a ORIGINAL INCOME WITHHOLDING ORDER/NOTICE FOR SUPPORT (IWO)
- 1b AMENDED IWO
- 1c ONE-TIME ORDER/NOTICE FOR LUMP SUM PAYMENT
- 1d TERMINATION of IWO

Date: _____ 1e _____

1d. Sender checks termination of IWO to stop income withholding on a child support order

Termination of the IWO is not necessary for One-Time Order/Notice for Lump Sum Payment.



Who is Sending the IWO?

1f Child Support Enforcement (CSE) Agency Court Attorney Private Individual/Entity (Check One)

1f. Sender checks box to indicate entity issuing the order/notice

Senders who are not state or tribal CSE agencies should contact the CSE agency to determine whether a copy of this form is needed.



Is this a valid IWO?



Child Support Network, Inc.
a private child support enforcement agency

April 8, 2003

FILE # [REDACTED]

TO: [REDACTED]
Attention Payroll Department
8700 W Colonial Dr
NPP WORKS NIGHTS
Orlando, FL [REDACTED]

PRINCIPAL	\$	10,000.00
INTEREST	\$	2,594.52
COURT COSTS	\$.00
ATTORNEY FEES	\$.00
TOTAL DUE	\$	12,594.52

RE: [REDACTED]
SSN# [REDACTED]

Dear Payroll Department:

Your employee is required by court order to pay child or family support. Attached is a copy of the court order, which requires him/her to pay support.

Your state law provides that a maximum of 50% of his/her disposable income is subject to income withholding by you.

Payments may be made to:

[REDACTED]
c/o Child Support Network, Inc.
P.O. Box [REDACTED]
Phoenix, AZ [REDACTED]

If you have any questions, please contact me at 1-800-[REDACTED] Compliance Office. I would appreciate a call from you to confirm receipt of this correspondence.

Sincerely,

[Handwritten Signature]
[REDACTED]



Regular on Its Face/NOTE

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 <http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/publication.htm - forms>). If you receive this document from someone other than a State or Tribal CSE agency or a Court, a copy of the underlying order must be attached.

The IWO must be rejected and returned to sender IF:

- IWO instructs the employer/income withholder to send a payment to an entity other than a state disbursement unit (SDU) (for example, payable to the custodial party, court or attorney)***

Exception: If this IWO is issued by a court, attorney, or private Individual/entity and the initial child support order was entered before January 1, 1994 or the order was issued by a tribal CSE agency, the employer/income withholder must follow the payment instructions on the form.



Is this a valid IWO?

IN THE CIRCUIT COURT OF [REDACTED]
DOMESTIC RELATIONS DIVISION

STACEY [REDACTED]

v.

Case No.: DR 2008-[REDACTED]

SETH [REDACTED]

FILED
22
DEFENDANT

AMENDED DECREE OF DIVORCE

Now on this [REDACTED] day of November [REDACTED] the above-captioned matter comes on for regularly-scheduled trial on the merits. The plaintiff, Stacey [REDACTED], appeared in person and with her attorney, Tom [REDACTED]. The defendant, Seth [REDACTED], appeared in person and with his attorney, Jane [REDACTED]. At the time this matter was called for trial, the parties announced, through their respective attorneys, that the parties had negotiated a stipulated agreement resolving all matters otherwise pending before this Court for judicial resolution. The parties' stipulated agreement was read into the Court's record in open Court and memorialized by entry of the parties' hand-revised "Child Custody, Support and Visitation and Property Settlement Agreement" which was introduced in the record as "Plaintiff's Exhibit A." Now,



Regular on Its Face/NOTE (cont.)

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 <http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/publication.htm - forms>). If you receive this document from someone other than a State or Tribal CSE agency or a Court, a copy of the underlying order must be attached.

The IWO must be rejected and returned to sender IF:

- Form does not contain all information necessary for the employer to comply with the withholding***
- Form is altered or contains invalid information***
- Amount to withhold is not a dollar amount***
- Sender has not used the OMB-approved form for the IWO (effective May 31, 2012)***
- A copy of the underlying order is required and not included***



Sender Identifying Information

State/Tribe/Territory	_____	1g
City/County/Dist./Tribe	_____	1i
Private Individual/Entity	_____	1k

- 1g. Sender enters name of state or tribal CSE**
- 1i. Sender enters name of city, county, or district; tribe enters only if submitting for another tribe**
- 1k. Sender enters name of private individual/entity, if appropriate.**



Remittance, Order, and CSE Agency Case Identifier

Remittance Identifier (include w/payment)	_____	1h
Order Identifier	_____	1j
CSE Agency Case Identifier	_____	1l

- 1h. Sender enters the identifier that employers must include when sending payments to an SDU also entered as the case identifier on the Electronic Funds Transfer/Electronic Data Interchange (EFT/EDI) record**
- 1j. Sender enters the identifier that is associated with a specific child support obligation (for example, a court case number, docket number)**
- 1l. Sender enters the identifier assigned to a state or tribal CSE case**

Remittance Identifier is now on the first page.



Employer/Obligor Identifying Information

Employer/Income Withholder's Name

2a

RE: _____
Employee/Obligor's Name (Last, First, Middle)

3a

Employer/Income Withholder's Address

2b

Employee/Obligor's Social Security Number

3b

Custodial Party/Obligee's Name (Last, First, Middle)

3c

Employer/Income Withholder's FEIN _____

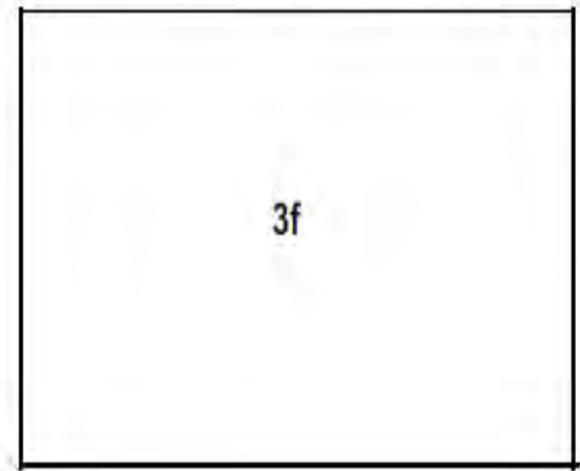
2c

Child(ren)'s Name(s) (Last, First, Middle)

3d

Child(ren)'s Birth Date(s)

3e



3f

- 2a – 3e. Sender inserts employee/obligor and employer/income withholder specific information
- 3f. Block intended for court use if stamping orders



Is this a valid IWO?

The plaintiff shall be obligated to pay child support in the amount of a 24.45% reduction from his disposable (net) income, commencing on signed date of this document, which is to be paid on or before Friday of every other week. The plaintiff is current on his payments.

These amounts are based upon the defendant's current gross income in the amount of \$1060.00 every other week, less tax deductions in the total amount of \$144.80, and health insurance for the benefit of the parties' minor children in the amount \$15.20, leaving a net income of \$901.00. The defendant shall pay the amount of a 24.45% reduction from this amount.



Order Information

ORDER INFORMATION: This document is based on the support or withholding order from 4 (State/Tribe).
You are required by law to deduct these amounts from the employee/obligor's income until further notice.

\$ 5a Per 5b current child support

\$ 6a Per 6b past-due child support - 6c Arrears greater than 12 weeks? Yes No

- 4. Sender inserts the name of the state/tribe issuing the underlying support order**
- 5a-6b. Sender inserts the dollar amount to be withheld per the time period specified in the underlying order**
- 6c. Sender must check the box (Y/N) indicating whether arrears are greater than 12 weeks so the employer/income withholder may determine the withholding limit**

If the sender does not indicate whether the arrears are greater than 12 weeks, then the employer should calculate the Consumer Credit Protection Act (CCPA) limit using the lower percentage.



Is this a valid IWO?

The defendant shall be entitled to an abatement of his child support obligation by one-half ($\frac{1}{2}$) anytime he has the minor children for fourteen consecutive days or more.



Is this a valid IWO?

ORDER INFORMATION: This document is based on the support or withholding order from [REDACTED]
You are required by law to deduct these amounts from the employee/obligor's income until further notice.

	\$717.00 per month	current support
	per	past-due child support-Arrears greater than 12 weeks? ()yes ()no
	per	current cash medical support
	per	past-due cash medical support
	per	spousal support
	per	past-due spousal support
	per	other(must specify) _____
for a total of	\$17.85 per month	to be forwarded to the payee below.

AMOUNTS TO WITHHOLD: You do not have to vary your pay cycle to be in compliance with the *Order Information*. If your pay cycle does not match the ordered payment cycle, withhold one of the following amounts:

- | | |
|---|--|
| \$4.12 per weekly pay period. | \$8.93 per semimonthly pay period (twice a month). |
| \$8.24 per biweekly pay period (every two weeks). | \$17.85 per monthly pay period. |
- \$0.00 ONE-TIME LUMP SUM PAYMENT** Do not stop any existing IWO unless you receive a termination order.



Order Information

\$	<u>7a</u>	Per	<u>7b</u>	current cash medical support	
\$	<u>8a</u>	Per	<u>8b</u>	past-due cash medical support	
\$	<u>9a</u>	Per	<u>9b</u>	current spousal support	
\$	<u>10a</u>	Per	<u>10b</u>	past-due spousal support	
\$	<u>11a</u>	Per	<u>11b</u>	other (must specify) _____	<u>11c</u>
for a Total Amount to Withhold of \$ <u>12a</u> per <u>12b</u> .					

- 7a – 10b.** Sender enters dollar amounts to be withheld per the time period (for example, week, month) specified in the underlying order
- 11a – 11c.** Sender must describe the type of obligation and enter the dollar amount to be withheld per the time period (or example, week, month) specified in the underlying order
- 12a.** Sender enters the total of fields 5a, 6a, 7a, 8a, 9a, 10a, and 11a.
- 12b.** Sender enters frequency of withholding

Check the total to make sure that it correctly sums the fields.



Amounts to Withhold

AMOUNTS TO WITHHOLD: You do not have to vary your pay cycle to be in compliance with the *Order Information*. If your pay cycle does not match the ordered payment cycle, withhold one of the following amounts:

\$ <u>13a</u> per weekly pay period	\$ <u>13b</u> per semimonthly pay period (twice a month)
\$ <u>13c</u> per biweekly pay period (every two weeks)	\$ <u>13d</u> per monthly pay period

☐ 13a – 13d. Sender enters the dollar amount to be withheld per pay period if the pay period is not the same as that entered in field 12b

There must be specific dollar amounts in fields 13a through 13d.



Amounts to Withhold

\$ 14 Lump Sum Payment: Do not stop any existing IWO unless you receive a termination order.

- 14. Sender enters the dollar amount to be withheld when the IWO is used to attach a lump sum payment*
- Enter an amount in field 14 when field 1c is checked*

Additional IWOs must be issued to collect recurring or subsequent lump sum payments.



Is this a valid IWO?

REMITTANCE INFORMATION: If the employee/obligor's principal place of employment is located in [REDACTED] you must begin withholding no later than the first pay period that occurs 14 days after the date of this notice. Send payment within 7 working days of the pay date. The total withheld amount, including your fee, cannot exceed 50% to 65% of the employee/obligor's aggregate disposable weekly earnings (ADWE). If the employee/obligor's principal place of employment is not [REDACTED],

What should an employer do when a range of percentages is entered?



Remittance Information

REMITTANCE INFORMATION: If the employee/obligor's principal place of employment is _____ **15** _____ (State/Tribe), you must begin withholding no later than the first pay period that occurs _____ **16** _____ days after the date of _____ **17** _____. Send payment within _____ **18** _____ working days of the pay date. If you cannot withhold the full amount of support for any or all orders for this employee/obligor, withhold up to _____ **19** _____% of disposable income for all orders. If the employee/obligor's principal

- 19. Sender must enter the percentage of disposable income that may be withheld from the employee/obligor's paycheck**

The sender is to specify a single percentage.



Remittance Information (cont.)

REMITTANCE INFORMATION: If the employee/obligor's principal place of employment is 15 (State/Tribe), you must begin withholding no later than the first pay period that occurs 16 days after the date of 17. Send payment within 18 working days of the pay date. If you cannot withhold the full amount of support for any or all orders for this employee/obligor, withhold up to 19% of disposable income for all orders. If the employee/obligor's principal place of employment is not 20 (State/Tribe), obtain withholding limitations, time requirements, and any allowable employer fees at http://www.acf.hhs.gov/programs/cse/newhire/employer/contacts/contact_map.htm for the employee/obligor's principal place of employment.

- 20. Sender enters the name of the state or tribe issuing the order



Remittance Identifier

For electronic payment requirements and centralized payment collection and disbursement facility information (State Disbursement Unit [SDU]), see http://www.acf.hhs.gov/programs/cse/newhire/employer/contacts/contact_map.htm.

Include the *Remittance Identifier* with the payment and if necessary this FIPS code: _____ **22**

- Link added for employers/income withholders to access valid SDU addresses*
- 22. Sender must include the FIPS code if necessary*

Remittance Identifier was moved to page 1 for emphasis and easy reference.



Remit Payment to SDU

Remit payment to _____	23	(SDU/Tribal Order Payee)
at _____	24	(SDU/Tribal Payee Address)

☐ 23 – 24. Sender must enter the SDU or tribal payee and address



Is this a valid IWO?

Send check to: **Child Support Enforcement, [REDACTED] Austin, TX [REDACTED]**
If remitting payment by EFT/EDI, call [REDACTED] before first submission. Use this FIPS code: [REDACTED].



Return to Sender Checkbox

25 **Return to Sender [Completed by Employer/Income Withholder].** Payment must be directed to an SDU in accordance with 42 USC §666(b)(5) and (b)(6) or Tribal Payee (see Payments to SDU below). If payment is not directed to an SDU/Tribal Payee or this IWO is not regular on its face, you *must* check this box and return the IWO to the sender.

☐ 25. Employer/income withholder must check the box and return the IWO to the sender if payment is not directed to an SDU or tribal payee or is not “regular on its face”



Is this a valid IWO?

YOU ARE HEREBY NOTIFIED that, pursuant to [REDACTED] Law, you have the responsibilities and rights set forth below with regard to the accompanying Income Deduction Order and attachment(s):

1. You are required to deduct from the income of the obligor the amounts specified in the Income Deduction Order and this Notice and forward the amounts so deducted to:

Kimberly [REDACTED]

Kim [REDACTED]

Kim, the CP, updated an IWO with her new address (handwritten to the right) and mailed it to the NCP's new employer.



Signature

Signature of Judge/Issuing Official (if required by State or Tribal law): _____	26
Print Name of Judge/Issuing Official: _____	27
Title of Judge/Issuing Official: _____	28
Date of Signature: _____	29

- 27 – 28. Sender enters name and title of the issuer**
- 26 and 29. These lines are optional unless required by state law**



Copy to Obligor

If the employee/obligor works in a State or for a Tribe that is different from the State or Tribe that issued this order, a copy of this IWO must be provided to the employee/obligor.

30 If checked, the employer/income withholder must provide a copy of this form to the employee/obligor.

30. Sender checks box in states requiring the employer to provide a copy of the IWO form to the employee/obligor



Additional Information

Priority: Withholding for support has priority over any other legal process under State law against the same income (USC 42 §666(b)(7)). If a Federal tax levy is in effect, please notify the sender.

Combining Payments: When remitting payments to an SDU or Tribal CSE agency, you may combine withheld amounts from more than one employee/obligor's income in a single payment. You must, however, separately identify each employee/obligor's portion of the payment.

Reporting the Pay Date: You must report the pay date when sending the payment. The pay date is the date on which the amount was withheld from the employee/obligor's wages. You must comply with the law of the State (or Tribal law if applicable) of the employee/obligor's principal place of employment regarding time periods within which you must implement the withholding and forward the support payments.

- Added federal statute to emphasize priority of child support***
- Clarified language regarding combining payments***



Additional Information

Multiple IWOs: If there is more than one IWO against this employee/obligor and you are unable to fully honor all IWOs due to Federal, State, or Tribal withholding limits, you must honor all IWOs to the greatest extent possible, giving priority to current support before payment of any past-due support. Follow the State or Tribal law/procedure of the employee/obligor's principal place of employment to determine the appropriate allocation method.

- Language revised*
- Priority of current support over past-due support is emphasized*



Additional Information

Liability: If you have any doubts about the validity of this IWO, contact the sender. If you fail to withhold income from the employee/obligor's income as the IWO directs, you are liable for both the accumulated amount you should have withheld and any penalties set by State or Tribal law/procedure. 31

- 31. Sender enters state-specific information about penalties for non-compliance***



Additional Information

Anti-discrimination: You are subject to a fine determined under State or Tribal law for discharging an employee/obligor from employment, refusing to employ, or taking disciplinary action against an employee/obligor because of this IWO.

32

- 32. Sender enters state-specific penalties for an employer/income withholder who discharges, refuses to employ, or disciplines an employee as a result of the IWO**



Additional Information

Additional Information:	33
<hr/>	
<hr/>	
<hr/>	

33. Sender enters additional state-specific information

All entries must be consistent with other instructions on this form and with state and federal law and regulations.



Employer's and Obligor's Identifiers

Employer's Name: _____ Employer FEIN: _____
Employee/Obligor's Name: _____
CSE Agency Case Identifier: _____ Order Identifier: _____

☐ This information must appear in the header on the notification of employment termination or income status



Employment/Income Status Checkbox

NOTIFICATION OF EMPLOYMENT TERMINATION OR INCOME STATUS: If this employee/obligor never worked for you or you are no longer withholding income for this employee/obligor, an employer must promptly notify the CSE agency and/or the sender by returning this form to the address listed in the Contact Information below:

34a This person has never worked for this employer nor received periodic income.

34b This person no longer works for this employer nor receives periodic income.

34a – 34b. Employer/income withholder checks a box and returns the form to the sender if the employee/obligor in field 3a is not employed or does not receive periodic income

Income Withholders have been added to this section to allow them to report to senders voluntarily.



Notification of Termination

Please provide the following information for the employee/obligor:

Termination date: _____ **35** _____ Last known phone number: _____ **36** _____

Last known address: _____ **37** _____

Final payment date to SDU/ Tribal Payee: _____ **38** _____ Final payment amount: _____ **39** _____

New employer's name: _____ **40** _____

New employer's address: _____ **41** _____

- 35 – 39. Employer/income withholder must provide information to notify sender of termination**
- 40-41. Employer/income withholder should enter new employer's name and address if known**



Employer/Income Withholder Contact Information

CONTACT INFORMATION:

To Employer/Income Withholder: If you have any questions, contact _____ 42 _____ (Issuer name)
by phone at _____ 43 _____, by fax at _____ 44 _____, by email or website at: _____ 45 _____.

Send termination/income status notice and other correspondence to: _____ 46 _____

(Issuer address).

To Employee/Obligor: If the employee/obligor has questions, contact _____ 47 _____ (Issuer name)
by phone at _____ 48 _____, by fax at _____ 49 _____, by email or website at _____ 50 _____.

- Added Income Withholder***
- Added email address or website***



Resources

- ❑ Link to fill-in IWO form and instructions on the OCSE website:
<http://www.acf.hhs.gov/programs/cse/forms/>
- ❑ Link to AT 11-05 publishing the revised form and instructions:
<http://www.acf.hhs.gov/programs/cse/pol/2011-at.html>
- ❑ PIQ-10-01, Federal Financial Participation and non-IV-D activities:
<http://www.acf.hhs.gov/programs/cse/pol/PIQ/2010/piq-10-01.htm>
- ❑ Link to information for the judiciary on the OCSE website:
<http://www.acf.hhs.gov/programs/cse/courts.html>
- ❑ Link to SDU matrix:
http://www.acf.hhs.gov/programs/cse/newhire/employer/contacts/sdu_matrix.pdf
- ❑ Link to Consumer Credit Protection Act (CCPA) limits:
<http://www.dol.gov/whd/regs/statutes/garn01.pdf>
- ❑ Link to IWO presentation:
<http://www.acf.hhs.gov/programs/cse/newhire/employer/publication/publication.htm#training>



OCSE Employer Services Team

If you have questions, please e-mail the Employer Services Team at this address:

employerservices@acf.hhs.gov