INCOME SHARES FAQ'S

What is Income Shares?

- Income shares is the new method the State of Illinois is using to determine how parents should share in the cost of raising a child when one parent doesn't live in the child's home. It is a standard method used in all cases. However, judges may consider extraordinary circumstances in setting child support.
- Child support set by income shares is based on the typical cost of raising a child or children in a family with the same combined income and same number of children. The incomes of both parents are combined and the number of children the parents share are identified. The amount those parents would spend in raising their child or children is identified within an independent, statistically valid table of expenditures. That is the Basic Support Obligation. The obligation is then assigned to each parent according to their proportional contribution to the combined income.
- Combined income is net income based on either a standardized net that uses ordinary tax information OR individualized net, which must be requested by a parent and reviewed by a judge. Individualized net is meant for use by individuals who have specialized tax situations. The conversion table for gross income to standardized net income used in the Basic Support Obligation is published on our website. Gross income is also defined on the website.
- o If one of the parents receives government benefits, it may not be considered income. Federal law does not recognize many types of benefits as income.

When do the Income Shares Guidelines become effective?

o July 1, 2017

Where can I view the amended Guidelines?

 For general information on Income Share Guidelines, you may wish to visit this website: https://www.illinois.gov/hfs/ChildSupport/parents/Pages/IncomeShares.aspx

Will an automated calculator be available to assist in quickly determining support obligations under the amended Guidelines?

 Yes! A free automated calculator will soon be available to help estimate the possible amount of a child support obligation under the amended guidelines.

• Will the amended July 1, 2017 Guidelines automatically apply to my case?

- The amended Guidelines apply to all child support cases where support will be set on or after July 1, 2017. The change from the previous law to the current law will not entitle a parent to a modification of support. In order for a support order to be eligible for modification, it must meet the criteria for modification on its own. For example, there must have been a significant change in circumstances OR the support must have been set at least three years in the past.
 - If you currently receive services from the Illinois child support program, and if you meet the criteria for a review of your support for modification, you may request a review by contacting us and requesting a modification review. A modification review does not guarantee an increase or decrease in the support amount. There must be a significant change in financial status to warrant a change in the support order.
 - If you do not currently receive services from the Illinois child support program, if you meet the criteria for a review of your support for modification, and if you want to pursue the review

through the Illinois child support program, you will need to apply for services and complete and return an application packet. You may apply at https://www.illinois.gov/hfs/ChildSupport/parents/Pages/Apply.aspx.

You may also file a court action on your own or through your attorney.

What is an expenditure table?

- o It is a tool that identifies how much parents residing together spend on their children:
 - utilizing data from the Consumer Expenditure Survey released by the Bureau of Labor Statistics; and
 - is based on parents' combined income and family size.

What does an expenditure table include?

- o Housing: Rent, utilities, mortgage, property taxes, insurance, etc.
- o Apparel, Clothing
- o Food
- o Transportation: Finance charges, leases, gas & oil, maintenance & repairs, etc.
- o Entertainment: Admission, lessons, activity fees, pets, toys, equipment
- o <u>Miscellaneous:</u> Out-of-pocket healthcare expenses, personal care, etc.
- <u>Education and Extracurricular Activities</u>: Ordinary costs for education and extracurricular activities
- o Other ordinary costs of raising children

What is not included in the expenditure table?

- o Child care expenses
- Health insurance
- o Extraordinary medical expenses not covered by insurance

How are credits for my other children calculated?

 Benefits and income received for other children in the household are not included in the parent's gross income for purposes of calculating support, but the parent is entitled to a support credit for the amount of benefits paid for the child.

How are my child's medical insurance costs calculated?

- o If either parent currently provides health insurance and/or both parents agree that health insurance should be provided by one of the parents through a policy available to them, the cost of the health insurance will be pro-rated between parents and the parent carrying the insurance will receive credit from the other parent.
- o In most cases the health insurance will be assigned to the parent with whom the children reside and the other parent will be assigned a proportional cost of the insurance. This allows the custodial parent to easily comply with the requirement to provide certain tax information to the federal Internal Revenue Service as required in the annual tax filing.
- o If the children are covered by Medicaid, the other parent will pay a proportional share of the monthly average cost per child (\$87.25 per child as of 7/1/17).
- The assignment of responsibility for health insurance may be affected by the cost, access, and comprehensive nature of available insurance. If neither parent has access to health insurance that is reasonable in cost, accessible for the children, and comprehensive, the parent with the majority of parenting time <u>may</u> be ordered to apply for government medical assistance benefits

- and the other parent <u>may</u> be assigned a proportionate share of the cost of the benefit (\$87.25 per month per child).
- Dental and/or vision (optical) insurance if not included in the health insurance provided would be addressed only through a request to a judge.

• How are work-related child care expenses calculated?

 Work-related child care expenses may be prorated and added to the basic child support obligation.

How does the shared physical care adjustment operate?

- Shared physical care means that each parent exercises 146 or more overnights per year with the child(ren).
- The basic child support obligation is multiplied by 1.5 to calculate the shared physical care child support obligation. This 50% increase approximates the portion of the child-rearing expenses that are duplicated between the parents' households in this situation.
- Each parent's proportional amount of the shared physical care obligation is multiplied by the
 percentage of time the other parent spends with the child. The respective child support
 obligations are offset, with the parent owing more child support paying the difference between
 the child support amounts.

I pay state taxes in another state. Can I deduct those taxes from my gross income?

Anyone may ask a judge to utilize individualized net income rather than standardized if they
want to deduct other state taxes from their gross income.

What is an Obligee, an Obligor?

o Obligee

• An individual to whom support is owed, a state or political subdivision to which support is assigned, or an individual seeking judgment to establish the parentage of a child. May also be referred to as a custodial parent or payee.

Obligor

The person, or the estate of a person, who owes support. Also the alleged parent of a child who would be liable under a temporary support order. May also be referred to as the noncustodial parent or payor.

If the other parent does not complete their paperwork, how will that affect my request for a modification of support?

 The Department will forward the request for modification to our legal partners for a determination on a case by case basis.

How is a change in parenting time addressed in an Administrative Order?

 If parenting time has been modified through a court order, you may request a modification based on the change in parenting terms.

How is support set prior to a parenting time agreement?

o Unless a parenting time agreement exists and indicates the shared parenting time is 146 nights per year or more, the support will be set assuming that parenting time is less than 146 nights.

What if I disagree with the terms of my new order?

- If your order for support was issued by a judge, you must follow the procedures for contesting or appealing a judicial order. You may need to seek legal advice. HFS staff cannot provide legal advice.
- o If your order for support was issued by HFS during an administrative proceeding, you can submit a written request for appeal to the regional office handling your case within 30 days, as indicated in the notice you received along with your order. Please note that HFS staff cannot independently change any order issued by a judge in an Illinois court or in a court of any other state or nation.

• How will Intergovernmental modifications be handled?

 Due to the nature and complexity of possible jurisdictional issues, questions regarding intergovernmental modifications must be handled on a case by case basis.