

## Examples and Scenarios for Preparing the Child Support Worksheet

These specific examples and scenarios are provided to further explain Section III, General Instructions and Section IV, Specific Instructions for the Worksheet. The examples in this Appendix follow the sample worksheet found in Appendix VII. Susan and Casey are the names used for the parents throughout the examples. The examples are fictional. Any relationship to real individuals is coincidental.

### EXAMPLE 1. Section IV. Specific Instructions for the Worksheet

#### A. Income Computation -- Wage Earner (Section A)

Susan earns a minimum wage and has a Domestic Gross Income of \$1257 per month.

#### B. Income Computation -- Self-Employed (Section B)

Casey is self-employed and has a Self-Employment Gross Income of \$5000 per month. Reasonable business expenses for Casey are documented at \$1500. Casey's domestic gross income is \$3500 ( $\$5000 - \$1500 = \$3500$ ).

#### C. Adjustments to Domestic Gross Income (Section C)

##### Child Support Income (Line C.5)

##### 1. Child Support Income (Line D.1)

Child support income from Line C.5 should be transferred to Line D.1

Neither Casey nor Susan has any adjustments to the domestic gross income. Therefore, the child support income for Casey is \$3500 and is \$1257 for Susan.

#### D. Computation of Child Support (Section D)

##### 1. Proportionate Shares of Combined Income (Line D.2)

Casey earns \$3500 child support income per month. Susan earns \$1257 child support income per month. Their combined child support income is \$4757. Casey's proportionate share of the combined child support income

is \$3500 divided by \$4757 or 73.6%. Susan's proportionate share of the combined child support income is \$1257 divided by \$4757 or 26.4%.

2. Gross Child Support Obligation (Line D.3)

The following is a scenario for determining the gross support obligation on Line D.3 of the worksheet.

**Scenario 1:** The parents above have two children, ages 6 years, 7 months and 3 years, 10 months. In using the “Two-Child Families” schedule, \$4757 is found in the left-hand column. Under the first column for the four-year-old, \$552 is identified, and in the next column for the seven-year-old, \$618 is identified. These two amounts are added together to find the total gross child support obligation of \$1170 per month.

The following are two **multiple-family adjustment** scenarios for determining the gross support obligation on Line D.3 of the worksheet.

**Scenario 2:** Casey, with two children in the above example, remarries and has a one-year-old child by the subsequent marriage.

The child support schedule for “Three-Child Families” should be used. At \$4757 combined income of the parties, the amounts \$477 and \$534 for the two children of the parties and the sum of \$1011 is entered on Line D.3.

**Scenario 3:** Casey, with two children in the above scenario, remarries twice and has a one-year-old child by the second marriage and a two-month-old child by the third marriage. The child support schedule for “Four-Child Families” should be used. At \$4757 combined income of the parties, the amounts \$409 and \$458 for the two children of the parties and the sum of \$867 is entered on Line D.3.

The following is a **divided residency** scenario for determining the gross support obligation on Line D.3 of the worksheet.

**Scenario 4:** Casey in the above scenario has primary residency of the older child, six years and seven months. Susan has primary residency of the younger child, three years and ten months. The child support schedule for “One-Child Families” should be used for calculating the support for each household. At \$4757 combined income of the parties, the worksheet for Casey to pay support to Susan would show \$682 at Line D.3. The worksheet for the Susan's obligation for the older child would show \$384

at Line D.3. Without considering any other factors besides income in this scenario and after the remaining calculations are carried through, Casey would pay Susan \$523 for the younger child. Susan would pay Casey \$210 for the older child. The net result is that the Casey would pay Susan \$313 per month.

1. Parenting Time Adjustment (Line D.5)

If a parent qualifies for a parenting time adjustment, the amount of credit based on the percentage is entered on Line D.5)

2. Proportionate Shares after Parenting Time Adjustment (Line D.6)

Subtract Line D.5 from the parties proportionate shares of the child support obligation. Enter the total for each party on Line D.6.

3. Health and Dental Insurance Premium (Line D.7)

Casey has a single-coverage policy. To add the children would cost an additional \$300 a month. This expenditure is entered on Line D.7. The respective shares of this cost, \$79 for Susan and \$221 for Casey, should be entered on Line D.8.

6 Work-Related Child Care Costs (Line D.9)

The applicable percentages may vary from year to year. Current tax law should be consulted for the current applicable percentages. See IRS Form 2441 and instructions for details.

Child care is needed for the youngest child. The total cost of the child care is \$525 per month. Susan pays for the costs of the child care and has an annual adjusted gross income of \$16,308.

The applicable percentage for the federal child care credit is 35% from Table 1 below. The percentage is applied to the monthly child care costs ( $\$525 \times .34 = \$179$ ). Based on the above table, the maximum amount is \$85. This amount (\$85) is then subtracted from the monthly child care costs ( $\$525 - \$85 = \$440$ ). The result of \$440 should be entered in the parent's column and as the total on Line D.9 of the worksheet. The proportionate shares of child care costs should be entered on Line D.10.

The formula for computing the allowed work-related child care cost is as follows:

Amt. - (Amt. x %)

As used in this formula

Amt. = Monthly child care costs

% = Applicable percentage of federal child care credit

Amt. - (Amt. x %)

$\$525 - (\$525 \times .34) = \$179$  (maximum amount allowed is \$85)

$\$525 - \$85 = \$440$

Table 1  
(Applicable for Tax Years Beginning in 2018)

<u>Adjusted</u> <u>Gross Income</u>	<u>Applicable</u> <u>Percentage</u>	<u>Maximum</u> <u>Monthly</u> <u>Credit</u> <u>One Child</u>	<u>Maximum</u> <u>Monthly Credit</u> <u>Two or More</u> <u>Children</u>	
<b>OVER</b>	<b>BUT NOT</b>			
\$ 0	\$15,000	35%	\$87.50	\$175.00
15,000	17,000	34%	85.00	170.00
17,000	19,000	33%	82.50	165.00
19,000	21,000	32%	80.00	160.00
21,000	23,000	31%	77.50	155.00
23,000	25,000	30%	75.00	150.00
25,000	27,000	29%	72.50	145.00
27,000	29,000	28%	70.00	140.00
29,000	31,000	27%	67.50	135.00
31,000	33,000	26%	65.00	130.00
33,000	35,000	25%	62.50	125.00
35,000	37,000	24%	60.00	120.00
37,000	39,000	23%	57.50	115.00
39,000	41,000	22%	55.00	110.00
41,000	43,000	21%	52.50	105.00
43,000	No Limit	20%	50.00	100.00

7. Proportionate Parental Child Support Obligation (Line D.10)

On Line D.2 Casey had 73.6% of the combined child support income and Susan had 26.4%. Therefore, Casey's obligation is \$861 (.736 x 1151). Susan's obligation is \$309 (.264 x 1151).

8. Adjustments for Health and Dental Insurance Premiums and Work-Related Child Care Costs (Line D.12)

Casey pays \$300 per month for health insurance. Susan pays \$440 per month child care costs.

9. Basic Parent Child Support Obligation (Line D.13)

Subtract \$300 from Casey's child support obligation of \$815 to make a net obligation of \$515. Subtract \$440 from Susan child support obligation of \$292 to make a net obligation of \$162. Susan has primary residency. Therefore, Casey's basic child support obligation is \$515 and Susan's basic child support obligation is \$292 before adjustments or enforcement fees are considered.

For Casey's obligation before adjustments or enforcement fees are considered.

Add Line D.6 (\$861) + Line D.8 (\$221) + D.10 (\$324) = \$1406 – Line D.7 (\$300) = \$1106

For Susan's obligation before adjustments or enforcement fees are considered.

Add Line D.6 (\$309) + Line D.8 (\$79) + D.10 (\$116) = \$504 – Line D.9 (\$440) = \$64

E. Child Support Adjustments (Section E)

1. Total (Line E.7)

Neither Casey nor Susan is claiming any child support adjustments. Therefore, the total for each parent is zero.

F. Deviation(s) From Rebuttable Presumption Amount (Section F)

1. Basic Parental Child Support Obligation (Line F.1)

Enter the amounts from Line D.13. for each parent.

2. Total Child Support Adjustments (Line F.2)

Enter the total adjustments from the amounts from Line E.6 for each parent.

3. Adjusted Subtotal (Line F.1 +/- Line F.2)

Using the total adjustments on Line F.2, add to or subtract from the total on Line F.1 for each parent, based on the result from Line E.6.

4. Ability to Pay Calculation (Line F.5a)  
Calculate the parent's ability to pay by subtracting the federal poverty level for a household of one from the child support income (Line D.1). Enter the subtotal on Line F.5b.
5. Social Security Dependent/Auxiliary Benefits (Line 6)  
Enter the amount of monthly dependent/auxiliary benefits the custodial parent receives on behalf of the child as a result of the non-custodial parent's disability or retirement.
6. Final Subtotal (Line F.6b)  
Enter the amount from the shared expense formula or the result from the equal parenting time worksheet (Appendix V) on the line for the parent with the higher income from Line F.3.
7. Enforcement Fee Allowance (Line F.7)  
The child support enforcement fee varies across the state. In this example, the court trustee deducts 4% per month from the amount paid by the parent having non-primary residency before distributing the payment to the parent having primary residency. Multiply the amount on Line F.3 by the applicable percentage (4%). Multiply the result by .5 to divide the fee into two equal parts and enter this amount on line F.7 for each parent.  
  
The court trustee fee may be a flat fee. To calculate the distribution of a flat fee (i.e. \$4), multiply the fee 50% ( $\$4.00 \times .5 = \$2.00$ ). Round the figure to the nearest whole dollar and add the amount, \$2.00 to the column for the parent having non-primary residency on Line F.7).
8. Net Parental Child Support Obligation (Line F.8)  
Add lines F.5b and Line F.4 to arrive at the net child support obligation which is entered on line F.8.

## EXAMPLE 2. Section III. General Instructions

### A. Income Beyond The Child Support Schedule

These instructions for calculating the child support formula yield results for children in the age 12-18 category.

In order to calculate the formula, a calculator with an exponential function is needed. The exponential function will be marked  $y^x$ . The exponential key raises

y to the power of x. The “Power” function on Microsoft Excel spreadsheets can also be used. Using the Insert, Function option on the main toolbar, choose the category Math & Trig; then select Power on the function list. Enter the appropriate monthly income and power (.61209) and then multiply the result by the multiplier found in the appropriate Child Support Table in Appendix II.

For example, the formula for a one child family is:

$$\text{Combined monthly income}^{0.61209} \times 5.749332$$

If monthly income is \$16,000 enter the following on the calculator:

- Step 1 - Enter “16000”
- Step 2 - Hit the “y<sup>x</sup>” key
- Step 3 - Enter “.61209”
- Step 4 - Hit the multiplication key “x”
- Step 5 - Enter “5.749332”
- Step 6 - Hit the equal key “=”
- Step 7 - The calculated amount is \$2152  
If the child is between 16 and 18:
- Step 8 - If the child is 6-11, multiply \$2152 by .94, or  
If the child is 0-5, multiply \$2152 by .84

If using the Power function on a spreadsheet, calculate the result of the Power function, then multiply that result by 5.749332, then multiply that result by the appropriate age category multiplier. If monthly income is \$16,000, follow these steps using the Power function, displayed as “=POWER(number, power),” available in Excel<sup>®</sup> or other spreadsheet:

- Step 1 - =POWER(16000,0.61209) = \$374
- Step 2 - =(374\*5.749332) = 2152
- Step 3 - If child is 6-11 = (\$2152\*.94)  
If child is 0-5 = (\$2152\*.84)

This calculation is for a single child. In cases of multiple children, the results for each child must be added together. The total amount should be entered on Line D.3 of the child support worksheet.

Make sure to check the box on the child support worksheet to indicate that the extended formula is used.