



Your Guide to Setting Support Amounts

WI BUREAU OF CHILD SUPPORT



Percentage of Income Standard Income for child support

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The Percentage of Income Standard provides guidelines to Wisconsin courts for setting payment amounts for child support and medical support. These guidelines are based on the belief that both parents are responsible for supporting their children, whether they live together or not.

The Percentages of Income Standard are:

- 17% of income for 1 child
- 25% of income for 2 children
- 29% of income for 3 children
- 31% of income for 4 children
- 34% of income for 5 or more children

The child support guidelines are based on:

- the parent's income
- the time a child spends with each parent
- whether a parent is supporting other children

In special cases, the court may use the Percentage Standard or may use one or more other guidelines to set support: Special cases involve:

- parents with high incomes
- parents with low incomes
- parents who support more than one family
- parents who share placement of their children (the court order states that the parents will share the placement of their children at least 25% of the time - at least 92 days/year)
- parents who split the placement of their children (the court order gives one parent the placement of one or more children and gives the other parent placement of the other children)

Please note: A court may order a parent to pay more or less than the amounts set by the Percentage Standard if the court decides that the Standard would be unfair to the child or one of the parents. The court must note the reason for not using the guidelines.

Income for child support

The court may choose to use:

- a parent's gross income
- income the parent has the ability to earn
 - income available for support
- imputed income

Gross income

Gross income is defined as all income and earnings from all sources. The income may or may not be taxable. Income can be in the form of money, property or services.

More about income

Gross income **does not** include child support or public assistance payments such as Supplemental Security Income (SSI) and W-2 cash payments.

Gross income includes:

- wages, salaries, earnings, tips, interest, capital gains, commissions and bonuses
- worker's compensation or other personal injury awards intended to replace income
- unemployment insurance
- income continuation benefits and Social Security Disability Income (SSDI) payments
- voluntary contributions to retirement and cafeteria plans
- undistributed income of a corporation
- military allowances and veterans benefits

Ability to Earn

The court can consider a parent's:

- past earnings
- current physical and mental health
- history of child care responsibilities and periods of physical placement. Example: A parent is the primary caretaker of a child and has remained at home with the child rather than working outside the home.
- education and training
- work experience and local job openings

Income available for support

If a parent supports more than one family, the parent's income for support may be reduced by earlier support obligations. The serial-family parent guidelines may be used to estimate a parent's income available for support. (Please see information about serial family parents on page 3.)

Imputed Income

Income may be imputed from assets such as life insurance, cash and deposit accounts, stocks and bonds, business interests, and cash and corporate income in a corporation.

Guidelines

Examples for the Percentage Standard (multiply income by percentage):

Monthly Income	1 child (17%)	2 children (25%)	3 children (29%)	4 children (31%)	5 children (34%)
\$1,500	\$255	\$375	\$435	\$465	\$510
\$2,000	\$340	\$500	\$580	\$620	\$680
\$2,500	\$425	\$625	\$725	\$775	\$850
\$3,000	\$510	\$750	\$870	\$930	\$1,020
\$3,500	\$595	\$875	\$1,015	\$1,085	\$1,190
\$4,000	\$680	\$1,000	\$1,160	\$1,240	\$1,360

More guidelines

Serial family parents

If a parent supports more than one family, the court may adjust the parent's income for later child support orders.

The order of the legal obligation (duty to support) is based on when the support obligation began. The legal obligation may include a parent's current, intact family (the family the parent lives with and supports). A support obligation begins on the date when:

- the child is born, if the child was conceived or born during the parent's marriage
- the child is adopted into an intact family
- Legal fatherhood (paternity) is established or the child is adopted, if the child was born outside of marriage. For the mother of a child born outside of marriage, the obligation (duty) to support begins at the child's birth.

Example: A parent has a support order for two older children and now has a new order for one younger child.

Monthly income	\$2,500
Percentage Standard for 2 children	x 25%
Support order for the 2 older children	\$625
Adjusted income for younger child	\$2,500 - \$625 = \$1,875
Percentage Standard for the 1 younger child	x 17%
Estimated support amount for the 1 younger child	\$318.75

Low-income payers

If the paying parent's income is between 75% and 150% of the federal poverty level, the court may use the low-income payer guidelines. Support amounts vary with parent's monthly income and number of children. The chart below shows support amounts at different incomes.

Please note: The federal government reviews the poverty level each spring. If updates are posted, the low-income payer table will be adjusted and will be available online at dcf.wisconsin.gov.

Examples for low-income payer cases (based on the 2014 federal poverty guidelines)

Monthly Income	1 child	2 children	3 children	4 children	5 children
\$729	\$82	\$120	\$140	\$149	\$164
\$885	\$110	\$162	\$188	\$201	\$221
\$1,041	\$143	\$210	\$243	\$260	\$285
\$1,197	\$179	\$263	\$305	\$326	\$358
\$1,459	\$248	\$365	\$423	\$452	\$496

More guidelines

High-income payers

If the paying parent earns an income of more than \$7,000/month (\$84,000/year), the court may use the high-income payer guidelines.

- the Percentage Standard on page 2 will determine support for the first \$7,000/month (\$84,000/year) of income
- a set of high-income payer guidelines are applied to the income between \$7,000/month and \$12,500/month (\$84,000 - \$150,000/year)
- a second set of high-income payer guidelines are applied to income of more than \$12,500/month (\$150,000/year)

Percentage of Income for high-income payers

Paying Parent's Monthly Income	1 child	2 children	3 children	4 children	5 children
First \$7,000 of income	17%	25%	29%	31%	34%
Portion of income between \$7,000 and \$12,500	14%	20%	23%	25%	27%
Portion of income above \$12,500	10%	15%	17%	19%	20%

Example for high-income payer

Paying parent, with an income of \$14,000/month, supports two children.

Income portions	Income amount	Percent	Support for each portion of income
First \$7,000	\$7,000	x 25% =	\$1,750
Portion between \$7,000 and \$12,500	\$5,500	x 20% =	+ \$1,100
Portion greater than \$12,500	\$1,500	x 15% =	+ \$225
Estimated support total			= \$3,075

More guidelines

Shared-placement cases

Courts may use the shared-placement guidelines when the order states that the parents will share the placement of their children at least 25% of the time - at least 92 days/year.

- The court will order each parent to assume the child's basic support costs in proportion to the time that the parent cares for the child. Basic support costs include food, shelter, clothing, transportation and personal care.
- The court **must** also assign responsibility for payment of the child's **variable costs** in proportion to each parent's share of placement. Variable costs are reasonable costs above basic support costs. These costs include child care, tuition, and the special needs of the child.
- The incomes of both parents are used to set the amount of support.

Example: Parents have 2 children

Parent A: Monthly income is \$2,000

Cares for both children 219 days a year (60% of the time)

Parent B: Monthly income is \$3,000

Cares for both children 146 days a year (40% of the time)

This chart **does not** include payments for the children's variable costs.

	Parent A	Parent B
Monthly Income	\$2,000	\$3,000
Multiply the Monthly Income by the Percentage Standard for 2 children (25%)	x 25%	x 25%
# 1	\$500	\$750
For each parent, multiply the amount in line #1 by 150%. The 150% accounts for the basic support provided by both parents (food, shelter, clothing, etc.)	x 150%	x 150%
# 2	\$750	\$1,125
Multiply the amount in line #2 by the percent of time the children spends with the other parent	x 40%	x 60%
#3	\$300	\$675
Offset – subtract the amount in line #3 for Parent A (the parent with the lower amount) from the amount in line #3 for Parent B (parent with the higher amount). Parent B will pay \$375 (estimate).	\$675 - \$300 = \$375	

Split-Placement Cases

If the court order gives one parent the placement of one or more children and gives the other parent placement of the other children, the court may use the split-placement guidelines. The Percentage Standard (listed on page 1) is pro-rated for **each** child based on the total number of children.

Prorated percentages

- Cases with 2 children, **12.5%** of income for each child (25% divided by 2)
- Cases with 3 children, **9.67%** of income for each child (29% divided by 3)
- Cases with 4 children, **7.75%** of income for each child (31% divided by 4)
- Cases with 5 children, **6.8%** of income for each child (34% divided by 5)

More guidelines

Example for split-placement

Parents have 3 children

Parent A: Monthly income is \$3,000
Has placement of 2 children

Parent B: Monthly income is \$2,800
Has placement of 1 child

	Parent A	Parent B
Parents' monthly income	\$3,000	\$2,800
Multiply the Monthly Income by the prorated Percentage based on the number of children living with the other parent	x 9.67% (1 child x 9.67%)	x 19.34% (2 children x 9.67%)
The parent with the highest dollar amount in this line will be the parent who pays support.	\$290	\$542
Offset – subtract the amount for Parent A's (the lower amount) from the amount for Parent B (the higher amount). Parent B will pay \$252 (estimate).	\$542 - \$290 = \$252	

Medical support

In addition to child support, court orders must address medical support if a parent's income is more than 150% of the federal poverty level. For low-income payers, who have incomes lower than 150% of the poverty level (please see page 3), the court will not order medical support unless it is available at no cost.

Either parent or both parents may be ordered to enroll the children in a health insurance plan

- **if** the parent's cost to add the children to an existing policy (**or** the difference between the self-only and family plan) is not more than 5% of the parent's monthly income
- **or** another amount set by the court.

The cost of medical support is based on each parent's ability to pay. If a parent's costs are greater than the standard 5%, **or** if the health care provider is more than 30 miles or 30 minutes away from where the child lives, **or** if the insurance does not cover some medical costs, the court may order a parent to provide medical support for the child in another way. For example, the court may order a parent:

- To pay a monthly amount for medical costs not covered by insurance
- To pay a part of the insurance or BadgerCare Plus costs that the other parent carries for the children
 - To cover these insurance costs, the court may adjust the amount of child support ordered. The support order may be more or may be less. (The insurance payments will not be sent to the insurance company or the BadgerCare Plus program.) See examples on the next page.

More about medical support

Example 1:

- Under the Percentage Standard, Parent A would pay \$500/month in child support
- Parent A is also ordered to pay the children's health insurance
- However, Parent B carries the insurance that costs \$100/month
- The court may add the \$100 insurance costs to the support paid by Parent A:
 $\$500 + \$100 = \$600/\text{month}$

Example 2:

- Under the Percentage Standard, Parent A would pay \$500/month in child support
- Parent B is ordered to pay the children's health insurance
- However, Parent A carries the insurance that costs \$100/month
- The court may reduce the support amount to cover the \$100 insurance costs paid by Parent A:
 $\$500 - \$100 = \$400/\text{month}$

Example 3:

- Under the Percentage Standard, Parent A would pay \$500/month in child support
- Both parents are ordered to pay an equal amount for the children's health insurance
- Parent A carries the insurance that costs \$100/month
- The court may reduce the support amount to cover the Parent B's share of the insurance costs paid by Parent A:
 $\$500 - \$50 = \$450/\text{month}$

Birth costs

If the parents are not married when the mother applies for BadgerCare Plus **and** the mother is referred to child support, the court may order the father to repay birth costs. Birth costs include health care costs related to the pregnancy, as well as the birth of the child. For more information, please see *Your Guide to Repaying Birth Costs*. The repayable amount is based on the father's income and his ability to pay.

Questions about setting support

Why are the guidelines based on gross income and not net income?

Gross income is a more accurate reflection of income. Net income may be manipulated through the use of exemptions and deductions.

How were the guidelines in the Percentage Standard chosen?

Wisconsin's guidelines are based on a study that shows the amount of income parents use to raise their children. The guidelines assume that when parents are living apart, both parents will continue to spend part of their income on their children. The guidelines are based on the principle that a child's standard of living should not be negatively affected because his or her parents are not living together.

Do courts use the Percentage Standard when setting family support orders?

Family support orders combine child support and spousal maintenance (alimony). The family support amount determined under the Percentage Standard should be increased by the amount necessary to provide a net family support payment, after taxes are paid, of at least the amount of the child support set by the guidelines.

More questions

Do the courts have to use the guidelines in the Percentage of Income Standard?

A court may order a parent to pay more or less than the amounts set by the Percentage of Income Standard if the court decides that the Income Standard would be unfair to the child or one of the parents. The court must note the reason for not using the guidelines.

Tools to estimate support

Calculators, tables and worksheets to estimate support are online at dcf.wisconsin.gov. Please note: other organizations may have online calculators to estimate support. However, the Wisconsin Child Support Program cannot verify the accuracy of the other online calculators. Please use the tools at dcf.wisconsin.gov.

Need more information?

- Please see Administrative Rule DCF 150 for complete information on imputing income and the guidelines for all case types and for “family support.” Links to DCF 150 are online at dcf.wisconsin.gov. Most public libraries offer free internet access.
- Contact your local child support agency for information about your case. Phone numbers are listed under “County Government” or tribal name and online at dcf.wisconsin.gov.

Or contact:

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