Explanation of child support (IV-D) and income withholding-only (Non-IV-D) services in Minnesota

Purpose
This document:
- Explains full child support (IV-D) services
- Explains income withholding-only (Non-IV-D) services
- Offers information to help determine for which services to apply
- Explains how to apply for services.

Definition of terms

Applicant
The person or entity who asked for child support services or was referred for child support services by one of the following programs: Minnesota Family Investment Program, Diversionary Work Program, IV-E Foster Care, Medical Assistance or Child Care Assistance Program.

Arrears/arrearage
Support obligation amounts that are overdue and unpaid.

Basic support
Support for expenses relating to a child’s care, housing, food, clothing and transportation. The amount is determined by applying the parents’ combined parental income for determining child support and the number of joint children to the basic support guidelines table. The basic support obligation does not include payment towards arrears.

Biological father
The man who provided the paternal genes of a child.

Child support
Money parents pay for the care, support and education of their child. It may include a monthly court-ordered amount for basic support, child care support and medical support.

Child support agency
A county office that provides child support services.

Child Support Division
A division within the Minnesota Department of Human Services that oversees the child support program.

Current support
An ongoing court-ordered obligation for basic support, medical support or child care support, due each month.

Direct deposit
Support payments sent electronically from the Child Support Payment Center to the obligee’s financial institution for deposit into the obligee’s checking account, savings account or stored value card account.

Establishing parentage
The process to create a legal relationship between a child and the child’s parent when no legal relationship previously existed. Actions to establish a legal relationship between a child and the child’s father are informally referred to as paternity actions.

Income withholding
The deduction of a current basic support, child care support, medical support or spousal support obligation, and arrears from an obligor’s wages or other sources of income.

Income withholding-only (Non-IV-D) services
Child support agencies provide income withholding-only services to record and process child support and maintenance payments that an obligor’s employer or payor of funds withholds from the obligor’s wages. The Child Support Division charges the obligor $15 per month for income withholding-only services. The child support agency does not provide any other services or enforcement activities for income withholding-only cases.
Obligee
A person to whom payments for maintenance or support are owed.

Obligor
A person obligated to pay maintenance or support. For purposes of ordering medical support, a parent who has primary physical custody of a child may be an obligor subject to a payment agreement.

Public assistance
A benefit or benefits from a state or federal program. A support case is public assistance when any child on the case receives public assistance. Public assistance arrears are owed to the state, not to the obligee. Public assistance programs include the former Aid to Families with Dependent Children program; the Minnesota Family Investment Program, which is Minnesota’s Temporary Assistance to Needy Families program; the Work First Program; the Child Care Assistance Program; Medical Assistance; and IV-E Foster Care services.

Support
Includes basic support, child care support and spousal maintenance when combined with child support; medical support, including expenses for confinement and pregnancy; arrearages; reimbursement; related costs; fees; interest; and penalties.

Support order
A court-ordered obligation for the benefit of the obligor’s child(ren), spouse or former spouse who lives with the child. A support order may include basic support, medical support or child care support. A court order may also include spousal maintenance.

What do full child support services include?
- Locating parents
- Establishing parentage
- Establishing court orders for basic, medical and child care support
- Reviewing and asking the court to modify basic, medical and child care support orders when appropriate
- Adjusting support orders based on the cost-of-living index
- Enforcing child support orders
- Working with other states to establish and enforce child support orders
- Processing income withholding and other payments received by the Child Support Payment Center for child support and spousal maintenance.

What services are not provided?
Regardless of which type of child support services you apply for (IV-D or Non-IV-D), the child support agency does not help with:
- Divorce assistance
- Parenting time or custody issues
- Spousal maintenance order establishment or modification
- Collection of:
  - Bills not related to support
  - Property settlements
  - Attorneys fees, except in limited circumstances [Minn. Stat. § 518a.735]
- Legal advice or counsel.
If you need any of these services, contact an attorney or legal services office.

How do I apply for full child support (IV-D) services?
Complete the “Full child support (IV-D) services application (DHS-1958)”. The application is available from your county child support agency or online at https://edocs.dhs.state.mn.us/lfservlet/Public/DHS-1958-ENG. Mail or take the completed form to your county child support agency.
- If you are applying for children who have different fathers or mothers, complete an application for each parent who lives away from the home.
- If you are not sure who the parent of your child is, complete an application for each possible parent.
- If you are not the parent of the child for whom you are applying for services, complete an application for each parent.
- If you are a noncustodial parent or alleged father, complete an application.

Are there fees?
Minnesota law requires the applicant pay a cost recovery fee for full child support (IV-D) services. Only one person can be the applicant for services. Currently, cost recovery fee is 2%.

Obligee fees – If you are the obligee, the applicant for services, and you or the children do not receive public assistance, the Child Support Division will deduct a cost recovery fee from the amount of your basic support, medical support, child care support and spousal maintenance collected.
For example, if the 2% cost recovery fee is charged and the child support agency collects $150 in a month, your fee is $3, and the amount sent to you would be $147.
Obligor fees – If you are the obligor, the applicant for services, and you do not receive Medical Assistance for yourself, the Child Support Division will add a cost recovery fee to the amount of your court-ordered basic support, medical support, child care support and spousal maintenance.

For example, if you are eligible to be charged the 2% cost recovery fee and the court-ordered obligation is $150 per month, your fee will be $3 per month, and the amount you will have to pay would be $153.

Other states’ fees – If the child support agency refers a case to another state for enforcement, the other state may charge a fee for a particular service. The other state may collect its fees by retaining a part of the child support collection.

Who will not pay a cost recovery fee?
If you or your children receive public assistance, the cost recovery fee is waived until after public assistance ends.

Obligees – The Child Support Division will not collect a cost recovery fee if you are the obligee, the applicant for services and you or the children living with you receive public assistance from:

- The Minnesota Family Investment Program, Tribal Temporary Assistance for Needy Families or the Diversionary Work Program. The child support agency will begin collecting a cost recovery fee after 24 consecutive months have passed from the date assistance has ended.
- Medical Assistance or Child Care Assistance Program. The Child Support Division will begin collecting a cost recovery fee one month after the children no longer receive benefits from these programs.
- Title IV-E Foster Care. If you are the parent or custodian of a child who left your home to enter foster care, and that child receives Title IV-E Foster Care benefits, the Child Support Division will begin collecting a cost recovery fee after 24 consecutive months have passed from the date the assistance has ended.

Obligors – The Child Support Division will not charge a cost recovery fee if you are the obligor, the applicant for services and you receive Medical Assistance for yourself. You must tell the child support agency when Medical Assistance begins or ends. The Child Support Division will begin charging you a cost recovery fee one month after assistance has ended.

Is there a limit on the amount of cost recovery fees I pay?
A maximum cost recovery fee limit will be set annually based on the average cost per case. Once your case reaches the limit, you will no longer pay the cost recovery fee on that case for the rest of the year.

Who pays the federal annual fee?
Federal law requires Minnesota to collect a federal annual fee of $35 on your case if both of the following are true:

- Your child has never received IV-A (cash) assistance under your household.
- The state collected and you received at least $550 in child support collections.

If the state collects the annual $35 fee on your case, it will do so by retaining the fee from support collected on your behalf, but not from the first $550 collected and received.

What if I no longer want full child support (IV-D) services?
If you are the applicant for services and you want to close your case and stop collection services, you must tell the child support agency. The child support agency can stop services only if the children on your child support case do not receive public assistance. If you close your case, the child support agency can continue to collect any amounts owed to the state or county.

What is income withholding?
Most support obligations are collected through income withholding. Once the child support agency identifies the obligor’s employer or payor of funds, they send a notice to withhold support. Employers have 14 days to process an order or notice to withhold. Employers must begin withholding no later than the first pay period following this 14-day time period. Employers must continue withholding until the child support agency notifies them in writing of any changes to the order.

The child support agency collects past due support, but prioritizes collecting current support. Past due support accrues interest at a rate set annually by the state court administrator.

What if I do not want income withholding?
If the child support agency is providing child support and maintenance enforcement services and child support or maintenance is not assigned, the court may waive income withholding if:

- One of the parties shows there is good cause to waive income withholding, and the court makes written findings giving reasons that income withholding would not be in the best interests of the child. In cases involving modifications of support, the court must also make findings that payments have been made timely.
The obligee and obligor sign a written agreement providing for an alternative payment arrangement which is reviewed and entered into the court record.

If the child support agency is not providing child support and maintenance enforcement services, and child support or maintenance is not assigned, the court may waive income withholding if the parties sign a written agreement. If the court waives income withholding, the obligee or obligor may at any time request income withholding.

**What are income withholding-only (Non-IV-D) services?**

Income withholding-only (Non-IV-D) services include processing payments for child support, spousal maintenance or both. These services do not include serving an original or amended notice of income withholding on the obligor’s employer or payor of funds. The obligee, or a representative of the obligee, must serve the notice of income withholding on the employer or payor of funds. There is no application fee. However, the Child Support Division must collect a $15 monthly fee from the obligor. This fee is in addition to the monthly support ordered and is collected through income withholding.

If the court orders spousal maintenance and the case does not include child support, you are not eligible for full child support (IV-D) services, but you may apply for income withholding-only (Non-IV-D) services.

**How do I apply for income withholding-only (Non-IV-D) services?**

Complete an “Income Withholding-only (Non-IV-D) Services Application (DHS-3164)”. The application is available from the county child support agency or online at [https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3164-ENG](https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3164-ENG). Mail or take the completed form to the county child support agency. It is your or your attorney’s responsibility to start, modify and end income withholding on your case. When the child support agency receives notice that income withholding has been implemented on an income withholding-only (Non-IV-D) case, it will process payments.

If you have a full child support (IV-D) case and all child support obligations are fully satisfied, with only spousal maintenance obligations owing, your case will automatically become an income withholding-only (Non IV-D) case, unless the applicant for services chooses to close the case.

**What is direct deposit?**

To increase the efficiency, convenience, speed and safety of payments to you, the state sends support by direct deposit. Through direct deposit, you may choose to have your support payments electronically deposited into a checking account, savings account or stored value card account. After your support case is open, the child support agency will send you more information on how to set up direct deposit.

**Which service is better?**

You may want to consider the following.

- **Are children involved?** If you have a court order for child support or want to get an order for child support, you are eligible for either full child support (IV-D) services or income withholding-only (Non-IV-D) services. You are not eligible for full child support (IV-D) services if your court order sets spousal maintenance but not child support. However, you may apply for income withholding-only (Non-IV-D) services.

- **The fees for these services are different.** For full child support (IV-D) services, there is an ongoing cost recovery fee and a $35 federal annual fee, if your case qualifies. For income withholding-only (Non-IV-D) services, the obligor must pay a monthly fee of $15.

- **The actual services are different.** Full child support (IV-D) services include locating parents, establishing parentage, establishing support orders, working with other states to enforce support orders, and collecting and processing payments for support orders. Income withholding-only (Non-IV-D) services include only processing payments.
What do full child support (IV-D) services and income withholding-only (Non-IV-D) services include?

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<tr>
<th>Available services</th>
<th>Income withholding-only (Non-IV-D) services</th>
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<td>■ Locating parents</td>
<td>■ Processing income withholding payments received by the Child Support Payment Center for child support and spousal maintenance</td>
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<tr>
<td>■ Establishing parentage</td>
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<tr>
<td>■ Establishing court orders for basic, medical and child care support</td>
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<td>■ Reviewing and asking the court to modify basic, medical and child care support</td>
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<td>■ Adjusting support orders based on the cost-of-living index</td>
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<td>■ Enforcing child support orders</td>
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<td>■ Working with other states to establish and enforce support orders</td>
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<th>Criteria</th>
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<td>Court orders must include child support or parentage issues to qualify for full child support services. The court order may also include spousal maintenance.</td>
<td>Court orders must include child support or spousal maintenance to qualify for income withholding-only services.</td>
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<th>Notice of income withholding</th>
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<td>Full child support services include the county child support agency serving a notice of income withholding on the obligor’s employer.</td>
<td>Income withholding-only services do not include serving a notice of income withholding on the obligor’s employer. The applicant, or a representative of the applicant, must serve the original and amended income withholding notice or order on the employer.</td>
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<td>■ If no child on the case has ever received IV-A (cash) assistance under their household and the applicant has received at least $550 in child support collections, they will also be assessed a $35 federal annual fee.</td>
<td>A monthly $15 fee is paid by the obligor through income withholding for income withholding-only services.</td>
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<td>■ Applicants for full child support services also agree to pay a cost recovery fee on their payments or on their obligation, if eligible.</td>
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<td>■ Effective Jan. 1, 2012, the cost recovery fee became 2%.</td>
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Where can I get more information?
Contact the child support agency in the county where the divorce or separation action was filed, or in the county where you live. The child support agency is usually part of the county human services department. For additional information on the child support program, visit the Minnesota Department of Human Services website at [mn.gov/dhs](http://mn.gov/dhs) or call the Child Support Information Line at 800-657-3890 or 651-431-4400.