

INCOME WITHHOLDING

Under the authority of MCA 40-5-411 all child support orders issued in Montana after January 1, 1990 are subject to immediate income withholding regardless of whether support payments are past due. Child support orders issued by another state may be subject to immediate income withholding regardless of whether support payments are past due.

A parent's income is not subject to immediate income withholding if the court or administrative authority that issued the support order finds that there is good cause not to require immediate withholding or there is an alternate arrangement between the parties for the payment of support. This exception must be stated in the support order.

If the child support order is not subject to immediate income withholding, and the parent who owes support is at least 8 days delinquent, under the authority of MCA 40-5-412 through 416 the debt may become subject to income withholding. When a delinquency of at least 8 days has occurred, the parent ordered to pay support may receive legal notice of the CSED's intent to withhold all future payments.

The CSED will request an employer to withhold a designated amount of support each month. If the amount exceeds 50% of the parents net wages, the CSED will request the employer to withhold 50% of the parents net wages under the authority of 15 U.S.C. 1673(b). Net wages for the purpose of this withholding is the income after the deduction of Federal and State taxes, Social Security taxes, Employment taxes, mandatory retirement, mandatory union dues, and Federal Income Tax Liens. If the money paid is not wages the withholding can be 100%. The employer may also hold an additional \$5.00 per month to repay the handling costs. The withholding can be on a weekly, bi weekly, or semi-monthly basis, to correspond with the pay days as authorized under ARM 37.62.501(6).