

Income Withholding Order/Notice for Support (IWO)

Child Support Helpline: (888) 208-4485
childsupport.ny.gov

TTY: (866) 875-9975 - Relay Service
<http://www.fcc.gov/encyclopedia/trs-providers>

Income withholders play an important role in helping to ensure that nearly one million of the State's children have financial and medical support from both parents. In New York State, income withholding accounts for more than 73% of all child support collected; with more than **\$1.3 billion** withheld from the income of noncustodial parents.

Still receiving paper IWOs? Read on to learn about electronic income withholding:

The electronic IWO (e-IWO) process is a free and efficient method to receive IWOs, accept or reject IWOs, and report employee/obligor terminations and lump sum payments electronically.

There are many benefits to e-IWO:



- Saves income withholders time, money and resources at no cost;
- Money gets to the family faster;
- No more mail to open and IWO PDFs are image ready;
- Signing up in one state, then signed up in all states;
- Increases accuracy and reliability of data;
- Same look for all IWOs from the Portal; and
- Reduces phone calls from state disbursement units and child support programs.

For more information on e-IWOs, contact eiwomail@acf.hhs.gov.

Remittance Responsibilities:

- Income withholders must take immediate action to withhold support from the income of the employee/obligor named in the IWO.
 - "Income" includes any earned, unearned, taxable, non-taxable income, benefits, or periodic or lump sum payment due to an individual. See New York Civil Practice Law and Rules § 5241(a)(6) for a complete definition.
 - Examples of income include, but are not limited to, wages, salaries, commissions, and bonuses.
- Income withholders must withhold either the amount listed in the 'Amount To Withhold' section on page 1 of the IWO (e.g., weekly, biweekly, etc.) or the maximum amount allowed by the Consumer Credit Protection Act (CCPA).
 - CCPA limits are 50% of disposable income if the employee/obligor is supporting another family and 60% of disposable income if the employee/obligor is not supporting another family. Each limit is increased by 5% if arrears are greater than 12 weeks.
 - For all IWOs dated August 29, 2018 or later, New York State regulation (18 NYCRR §347.9[2][h][12]) limits deductions for child and medical support combined to 50% for all cases with arrears of 12 weeks or less and 55% for all cases with arrears greater than 12 weeks.
 - There is an online calculator in the 'Employers' section of the New York State child support website (childsupport.ny.gov) to help determine the amount of withholdings.

- In accordance with New York State law and regulations, income withholders must begin withholding no later than the first pay period that occurs 14 days after the date of service of the IWO.

Remittance Responsibilities (cont'd):

- Payments must be remitted within 7 business days of the pay date.
- All payments should be made payable to *NYS Child Support Processing Center*, the state disbursement unit (SDU).
- When support is being withheld for several employees, income withholders may combine the amounts into a single payment provided a listing with the employee name, New York Case Identifier, county name, pay date, and withholding amount is included. Payment coupons and a payment listing form are available on childsupport.ny.gov.

Lump Sum Payments:

- Income withholders are required to report and withhold support arrears/past due support from lump sum payments (e.g., severance payments, income reported on a 1099, and dividends).
- Email nysdulumpsum@otda.ny.gov or call the Child Support Helpline, toll free (888) 208-4485, TTY: (866) 875-9975, Monday through Friday from 8:00 am to 7:00 pm, if an employee/obligor is due to receive a lump sum payment.

Payment Options:

- Electronic Funds Transfer/Electronic Data Interchange
- Online payments through [ExpertPay](#); call the Child Support Helpline at (888) 208-4485 for registration information.
- Mail to: NYS Child Support Processing Center (SDU), PO Box 15363, Albany, NY 12212-5363.

Reporting Employee Terminations or Income Status:

If the employee/obligor never worked for you or you are no longer withholding income for the employee/obligor, you must complete the 'Notification of Employment Termination or Income Status' section on page 4 of the IWO and mail it to NYS Child Support Processing Center (SDU), PO Box 15368, Albany, NY 12212-5368.

The federal Office of Child Support Enforcement has a portal which includes an Employer Services Web Application to report lump sum payments and employee terminations. Contact the Employer Services Team at Incomewithholderserviceswebapp@acf.hhs.gov for a brief demonstration.

Additional Information:

- Discharging, laying off, refusing to promote or disciplining an employee or refusing to hire a prospective employee because of the existence of an IWO may be subject to a civil action for damages for wages lost. In addition, the family court may direct the payment of a civil penalty.
- In New York State, fees to defray the cost of withholding may not be collected.
- Failure to withhold or remit the support as directed in the IWO may result in the income withholder's payment of the accumulated amount that should have been withheld, together with interest and reasonable attorney's fees, as well as a civil penalty.
- The amount withheld may not be changed or discontinued until receipt of an Amended IWO or Termination of IWO.
- Withholding for support has priority over any other legal process under State law against the same income.