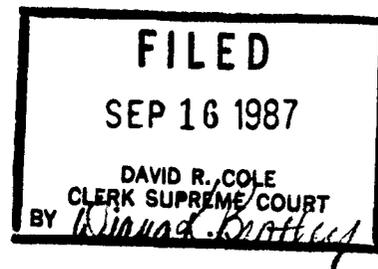


SUPREME COURT OF ARIZONA

ORDER ADOPTING STATEWIDE
CHILD SUPPORT GUIDELINES



Administrative Order No. 87-36

The Supreme Court having approved the attached statewide child support guidelines on July 14, 1987, now, therefore,

IT IS ORDERED THAT the guidelines shall become effective October 1, 1987, and all child support awards, whether they be original awards or modifications of pre-existing awards, made on and after October 1, 1987 shall be pursuant to the guidelines.

DATED AND ENTERED this 16th day of September, 1987, at the State Capitol in Phoenix, Arizona.

FOR THE COURT

Frank X. Gordon, Jr.
Chief Justice

PROPOSED ARIZONA CHILD SUPPORT GUIDELINES

Submitted by
THE GOVERNOR'S COMMITTEE ON CHILD SUPPORT GUIDELINES
December 1986

- I. The Arizona Child Support Guidelines have the following purposes:
 - A. To establish a standard of support for children consistent with the ability of parents to pay;
 - B. To make child support awards consistent for persons in similar circumstances;
 - C. To give parents and courts guidance in establishing child support orders and to promote settlements;
 - D. To comply with federal law (42 U.S.C. §651 et seq., 45 C.F.R. §302.56.)

- II. The Arizona Child Support Guidelines are based on the following premises:
 - A. These guidelines apply to all children, whether born in or out of wedlock.
 - B. The child support award should permit the children a standard of living which as closely as possible approximates the one they would have had if the family remained together, recognizing the cost of maintaining two households.
 - C. The child support obligation has priority over all other financial obligations.
 - D. The fact that a custodial parent receives child support does not mean that he or she may not also be entitled to spousal maintenance.
 - E. The court may take into account the benefit a parent derives from income of his or her spouse, even though that spouse is not a parent of the children whose support is at issue.
 - F. The obligation to support other children may be taken into account by the court but shall not necessarily entitle the paying parent to a reduction of support, proportionate or otherwise.
 - G. These guidelines do not take into account the cost of visitation, or allocation of that cost, if any.

- H. These guidelines presume, but do not require, that the parent to whom more than 50% of the parental child support obligation is apportioned claims the children as his or her dependents for income tax purposes.
- I. These guidelines are based on the average expenditures for children from birth to age eighteen at various income levels.

III. Guidelines Are a Rebuttable Presumption.

In any action to establish or modify child support, whether temporary or permanent, the child support guidelines shall be used as a rebuttable presumption for the establishment or modification of the amount of child support. Courts may deviate from the guidelines where their application would be inequitable. Any deviation shall be accompanied by findings by the court specifying the reasons for the deviation.

IV. Gross Income.

Gross income of each parent shall be determined according to the following method:

- A. Gross income includes income from any source, and includes, but is not limited to, income from salaries, wages, commissions, bonuses, dividends, severance pay, pensions, interest, trust income, annuities, capital gains, social security benefits, workmen's compensation benefits, unemployment insurance benefits, disability insurance benefits, gifts, prizes, and spousal maintenance received.
- B. Gross income does not include benefits received from means-tested public assistance programs, including but not limited to aid to families with dependent children, supplemental security income, food stamps, general assistance, or sums received as child support.
- C. For income from self-employment, rent, royalties, proprietorship of a business, or joint ownership of a partnership or closely held corporation, "gross income" means gross receipts minus ordinary and necessary expenses required to produce such income.
- D. "Ordinary and necessary expenses" does not include amounts allowable by the Internal Revenue Service for depreciation expenses or any other business expenses determined by the court to be inappropriate for determining gross income for purposes of calculating child support.

- E. Expense reimbursements or benefits received by a parent in the course of employment or self-employment or operation of a business shall be counted as income if they are significant and reduce personal living expenses.
- F. If a parent is unemployed or working below full earning capacity, the court may consider the reasons. If earnings are reduced as a matter of choice and not for reasonable cause, such as caring for children, the court may attribute income to the parent up to his or her earning capacity.

V. Adjustments to Gross Income.

- A. Spousal maintenance and child support of other children, actually paid, shall be deducted from the gross income of the payor. "Other children" means children who are not the subject of this particular child support determination.
- B. The cost of court-ordered health insurance coverage for the children shall be deducted from the gross income of a parent.

VI. Basic Child Support Obligation.

The Basic Child Support Obligation shall be determined using the schedule of basic child support obligations contained herein. "Combined adjusted gross income" in the schedule means the combined monthly adjusted gross income of both parents.

VII. Exchange of Financial Information.

Since automatic cost of living adjustments are not included in the guidelines, the court shall order that every twenty-four months there be an exchange of financial information, such as tax returns, spousal affidavits and earning statements.

VIII. Health Insurance.

An order for child support shall assign responsibility for providing medical insurance for the children who are the subject of the support order. The court shall specify the percentage of uninsured medical and dental expenses for the children which each parent shall pay. This apportionment shall reflect the parents' respective ability to pay.

IX. Child Care Costs.

The Basic Child Support Obligation shall be increased to reflect child care expenses appropriate to the parents' financial abilities and to the lifestyle of the children had the family remained intact.

X. Additional Education Expenses.

Additional education expenses incurred on behalf of the children may be added to the Basic Child Support Obligation. Additional education expenses are any reasonable and necessary expenses for attending private or special schools or necessary expenses to meet particular education needs of a child, when such expenses are incurred or paid by agreement of both parents or ordered by the court.

XI. Age Adjustment.

The average expenditures for children over age twelve exceeds the average expenditures for all minor children by approximately ten percent.

XII. Shared custody.

It is the intention of these guidelines to remove financial incentive associated with custody and visitation arrangements. Shared custody shall warrant child support less than provided in these guidelines only where the court specifies and apportions an offsetting amount of the children's expenses to the parent paying support.

XIII. Computation of Child Support.

A Total Child Support Obligation is determined by adding the Basic Child Support Obligation, child care costs, additional education expenses, any adjustment because of the child's age, and any other necessary, extraordinary expense. The Total Child Support Obligation shall be divided between the parents in proportion to their adjusted gross incomes. The obligation of each parent is computed by multiplying each parent's share of their combined adjusted gross incomes by the Total Child Support Obligation. The custodial parent shall be presumed to spend his or her share directly on the child.

SCHEDULE OF BASIC CHILD SUPPORT OBLIGATIONS

This schedule is only part of the overall guidelines and must be used together with the accompanying information.

<u>COMBINED ADJ. GROSS INCOME</u>	<u>%</u>	<u>ONE CHILD</u>	<u>%</u>	<u>TWO CHILDREN</u>	<u>%</u>	<u>THREE CHILDREN</u>	<u>%</u>	<u>FOUR CHILDREN</u>
500	18.0	90	27.0	135	35.0	175	38.0	190
600	19.2	115	28.3	170	36.7	220	40.0	240
700	22.4	157	26.7	187	28.4	199	32.0	224
800	21.4	171	33.1	265	34.9	279	39.3	314
900	20.4	184	31.8	286	39.9	359	44.9	404
1000	18.0	189	30.7	307	38.5	385	43.4	434
1100	19.1	210	29.7	327	37.3	410	42.1	463
1200	18.6	223	28.8	346	36.2	434	40.8	490
1300	18.1	235	28.2	366	35.3	459	39.8	517
1400	17.7	248	27.5	385	34.5	483	38.9	544
1500	17.3	269	26.9	404	33.7	506	38.0	570
1600	17.0	271	26.4	422	33.0	528	37.2	595
1700	16.6	282	25.9	440	32.4	550	36.5	620
1800	16.3	293	25.4	457	31.8	572	35.8	645
1900	16.1	305	25.0	475	31.3	595	35.3	671
2000	15.9	318	24.7	494	31.0	619	34.9	698
2100	15.7	330	24.4	513	30.6	642	34.5	725
2200	15.6	343	24.1	531	30.3	666	34.2	752
2300	15.4	355	24.0	550	30.0	690	33.9	779
2400	15.3	368	23.7	569	29.8	714	33.6	806
2500	15.2	380	23.5	588	29.5	738	33.3	833
2600	15.1	392	23.3	606	29.3	761	33.0	859
2700	15.0	404	23.2	625	29.0	784	32.8	885
2800	14.8	415	23.0	644	28.9	808	32.5	911
2900	14.7	427	22.8	662	28.7	831	32.3	937
3000	14.6	439	22.7	681	28.5	855	32.1	964

(Cont'd)

This schedule is only part of the overall guidelines and must be used together with the accompanying information.

This schedule is only part of the overall guidelines and must be used together with the accompanying information.

<u>COMBINED ADJ. GROSS INCOME</u>	<u>%</u>	<u>ONE CHILD</u>	<u>%</u>	<u>TWO CHILDREN</u>	<u>%</u>	<u>THREE CHILDREN</u>	<u>%</u>	<u>FOUR CHILDREN</u>
3100	14.6	451	22.6	700	28.3	878	31.9	990
3200	14.5	463	22.4	718	28.2	901	31.8	1016
3300	14.4	474	22.3	737	28.0	925	31.6	1042
3400	14.3	486	22.2	756	27.9	948	31.4	1068
3500	14.2	498	22.1	775	27.8	972	31.3	1095
3600	14.1	508	22.0	790	27.5	990	31.0	1115
3700	14.0	516	21.7	802	27.2	1005	30.6	1132
3800	13.8	524	21.4	814	26.8	1020	30.2	1149
3900	13.6	532	21.2	826	26.5	1035	30.0	1166
4000	13.5	540	21.0	838	26.3	1050	29.6	1183
4250	13.2	560	20.4	868	25.6	1088	28.9	1226
4500	12.9	580	20.0	899	25.0	1126	28.2	1269
4750	12.6	600	19.6	929	24.5	1164	27.6	1312
5000	12.4	620	19.2	959	24.0	1201	27.1	1354
5250	12.2	640	18.9	989	23.6	1239	26.6	1396
5500	12.0	660	18.6	1020	23.2	1277	26.2	1440
5750	11.8	680	18.3	1050	22.9	1315	25.8	1482
6000	11.7	700	18.0	1080	22.5	1352	25.4	1525
6250	11.4	715	17.7	1104	22.2	1390	25.1	1567
6500	11.2	730	17.4	1128	22.0	1428	24.8	1610
6750	10.9	735	17.1	1152	21.7	1466	24.5	1652
7000	10.7	750	16.8	1176	21.5	1504	24.2	1695
7250	10.5	760	16.6	1200	21.3	1542	24.0	1737
7500	10.3	770	16.3	1224	21.1	1580	23.7	1780

This schedule is only part of the overall guidelines and must be used together with the accompanying information.