

CHILD SUPPORT COMMITTEE

October 18, 2011

12:00 – 1:00 p.m.

Arizona State Courts Building, Conference Room 119A

1501 W. Washington St.

Phoenix, Arizona 85007

Teleconference: 602-452-3192 Access: 1114

Webex link:

[https://arizonacourts.webex.com/arizonacourts/j.php?ED=184309407&UID=1259049402&PW=NNmYxO
WM3MWix&RT=MiM1](https://arizonacourts.webex.com/arizonacourts/j.php?ED=184309407&UID=1259049402&PW=NNmYxOWM3MWix&RT=MiM1)

Statute Review Workgroup Agenda

Chairman Comm. Kupiszewski

1. **Welcome and announcements**..... *Comm. Kupiszewski*
2. **Review and discuss red-lined matrix**..... *Comm. Kupiszewski*
3. **Review and update strategic plan**..... *Comm. Kupiszewski*
4. **Call to the Public**..... *Comm. Kupiszewski*
This is the time for the public to comment. Members of the workgroup may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.
5. **Set next agenda**..... *Comm. Kupiszewski*

Next Meeting

November 8, 2011

Conf. Room 345

12:00 p.m. to 1:00 p.m.

All times are approximate. The Chair reserves the right to set the order of the agenda. Please contact Kathy Sekardi, Staff to the Child Support Committee at (602) 452-3253, with any questions concerning this Agenda. Persons with a disability may request reasonable accommodations by contacting Julie Graber at (602) 452-3250. Requests should be made as early as possible to allow time to arrange the accommodation.

Statute Review Workgroup Minutes

Date: September 13, 2011

Time: Noon to 1 pm

Location: AOC – Conf. Rm 230

Minute Taker: Kathy Sekardi, Julie Graber

Members Attending:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Comm. Stephen Kupiszewski (Acting Chair) | <input type="checkbox"/> Veronica Hart Ragland |
| <input checked="" type="checkbox"/> Theresa Barrett | <input type="checkbox"/> Bianca Varelas Miller |
| <input type="checkbox"/> Janet Sell | <input checked="" type="checkbox"/> Donald Vert |
| <input checked="" type="checkbox"/> Pat Griffin | <input checked="" type="checkbox"/> Farrah Watkins |
| <input checked="" type="checkbox"/> Brandon Maxwell – <i>telephonic</i> | |

Staff/Admin. Support: Kathy Sekardi, Julie Graber

Guests: Mark Ciafullo

Matters Considered:

1. Welcome and announcements

Comm. Kupiszewski commenced the meeting at 12:00 p.m. with a quorum. He thanked the members for their hard work as the three pieces of proposed legislation were approved unanimously by the Child Support Committee (CSC). He further commended Assistant Attorney General, Janet Sell, for her indispensable contributions. Ms. Farrah Watkins was introduced as a new CSC member and custodial parent. Lastly, Comm. Kupiszewski volunteered to testify at any legislative committee hearings in order to support the proposed legislation and encouraged others to do so.

2. Review and discuss CSC strategic plan/SRWG assignments

- CSC Goal #4: Review draft of guidelines
 - CSC referred to SRWG the task of reviewing a draft of the child support guidelines that incorporates concepts developed by the last review committee. Theresa Barrett explained the last review committee reorganized the guidelines in a chronological manner, they added a table of contents and definitions of terms, as well as expanding some of the examples for further clarification and simplicity. This “enhanced” version builds upon the current guidelines and includes the conceptual changes. Discussion ensued regarding the workgroup’s charge.
 - Comm. Kupiszewski thought it would be important to begin this task by first answering the question: —“Why are we revising the guidelines?”
 - The correlation table will be used as another tool for the workgroup to review and make recommendations.
 - Staff will start compiling a matrix of the proposed changes.
- CSC Goal #5: Review federal IWO form; use and implementation
 - The workgroup reviewed federal and state statutory requirements to use, comply with, and implement the prescribed standard federal IWO format.
 - Members explored whether legislative changes to Arizona Statutes or rule changes to Arizona Rules of Family Law Procedure (ARFLP) would be better to implement the

OMB-approved form.

- Possible IWO forms could be included in ARFLP.
- Links to the federal Office of the Child Support Enforcement website could be placed in various venues such as the AOC website.
- Members reported on how their agencies plan to implement the use of the mandated form in IV-D and non-IV-D cases.
 - Maricopa County Presiding Judge Norman Davis is aiming to have the form ready to self-populate by the May 31, 2012, deadline for non-IV-D cases.
 - AOC is planning to make the form part of the child support calculator.
 - DCSE is contemplating the addition of a page to the IWO to send to employers that would include language about Presumptive Termination Date and obligors' rights.
- The workgroup discussed Arizona's statutory requirement for inclusion of the presumptive termination date.
 - The federal form does not use a presumptive termination date, which is mandated by state statute. It requires a termination order to be filed.
 - Don Vert reported that the Maricopa County Clerk's Office gets close to 100% compliance from employers using the presumptive termination date.
 - Pat Griffin at DCSE indicated that the presumption is that the order of assignment is still in place based on emancipation, not presumptive termination date. An order of assignment is stopped based on the emancipation date of the youngest child in a child support order, which allows the custodial parent the chance to verify if their youngest child is still in school when they turn 18. If there is no response, child support payments will stop on the 18th birthday unless payments on arrears were ordered. Most IV-D cases have arrears.
 - Further discussion on the conflict between Arizona statute and federal mandates regarding presumptive termination date are necessary.
- Further discussion about e-filing and its impact on the mandated form will also be needed.
- CSC Goal #8: Discuss unreimbursed medical expenses; simplified procedure

The workgroup discussed the topic of medical expenses incurred by a parent that are not reimbursed by the other parent, willingly and unwillingly. Since further discussion and research are needed, this item was tabled to SRWG's 2012 Calendar.

3. Review and update strategic plan

- CSC Goal #8 regarding unreimbursed medical expenses was moved to Item #2 on SRWG's strategic plan for 2012.

4. Call to the Public

No members of the general public were in attendance.

5. Set next agenda

For the next agenda, SRWG will continue to work on Goals #1—8, including reviewing enhanced guidelines and proposing responses to —*Why are we revising the guidelines?*—

Meeting adjourned at 12:45pm.

CONTENTS

Section I.	General Information	
	A. Purposes	1
	B. Premises	1
	C. Presumption and Application.....	2
	D. Basis of Guidelines	2
	E. Definitions.....	2
Section II.	Determining the Guideline Support Amount	
	A. Income.....	5
	B. Inclusions to Gross Income of Parties	5
	1. Gross Income	5
	2. In-Kind or Other Non-Cash Benefits.....	5
	3. Self-Employment	5
	4. Expense Reimbursements	5
	5. Unemployed or Underemployed.....	5
	C. Exclusions from Gross Income.....	6
	D. Adjustments to Income	6
	1. Spousal Maintenance	6
	2. Support of Children.....	7
	E. Adjusted Monthly Gross Income	7
	F. Determining the Basic Child Support Obligation.....	7
	G. Adjustments to the Basic Child Support Amount.....	8
	1. Older Child Adjustment.....	8
	2. Medical, Dental, and Vision Insurance Adjustment.....	8
	3. Childcare Costs	9
	4. Education Expenses	10
	5. Extraordinary Child Expenses	11
	H. Applying Adjustments	11
	I. Determining Each Parent’s Proportionate Share of the Total Child Support Obligation.....	11
	J. Adjusting Support Amounts to Reflect the Parenting Time Allocation.....	11
	K. Equal Custody.....	14
	L. Determining the Child Support Order.....	14
	M. Self-Support Reserve Test	15
	N. Rounding the Final Support Order.....	16
Section III.	Guideline Support Amount	
	A. Court’s Findings.....	17
	B. Exchange of Information	17
	C. Gifts in Lieu of Money	17

D. Federal and State Tax Exemption for Dependent Children	17
E. Unreimbursed Medical Expenses	18
F. Travel Expenses	18

Section IV. Special Circumstances

A. Deviation.....	20
1. By Court.....	20
2. By Agreement	20
3. Examples for Deviation	20
B. Multiple Children, Divided Custody.....	20
C. Multiple Children, Varying Parenting Time Schedule	21
D. Third-Party Caregivers.....	22
E. Support Assigned to the State.....	22
F. Income and Benefits	22
1. Income of a Child.....	22
2. Benefits Received on Behalf of a Child.....	22
3. Benefits Not Included in Parent’s Income	23
4. Disabled Adult Child	23
G. Arrears.....	23
1. Setting an Amount for Payment on Arrears.....	23
2. When the Current Child Support Obligation Terminates	23
3. Modification of Payment on Arrears	23
4. Court to Consider Obligor’s Available Income	23

Section V. Modification and Termination of Support

A. Duration and Termination of Child Support.....	24
B. Effect of Emancipation	25
C. Modification.....	25
1. Standard Procedure	25
2. Simplified Procedure	25
3. By Agreement	26

**Section I.
General Information**

A. PURPOSES

1. To establish a standard of support for children consistent with the reasonable needs of children and the ability of parents to pay.
2. To make child support orders consistent for persons in similar circumstances.
3. To give parents and courts guidance in establishing child support orders and to promote settlements.
4. To comply with state law (Arizona Revised Statutes, Section 25-320) and federal law (42 United States Code, Section 651 et seq., 45 Code of Federal Regulations, Section 302.56) and amendments, if any.

B. PREMISES

1. These guidelines apply to all children, whether born in or out of wedlock, and their parents.
2. Because child support has priority over all other financial obligations, the existence of other obligations generally provides no reason for deviating from the guidelines. The guidelines themselves explain how to take account of other legal support obligations in calculating the support required for the children to whom they are being applied.
3. A parent who receives child support may also be entitled to spousal maintenance.

4. A court establishing both child support and spousal maintenance shall first determine the appropriate amount of spousal maintenance and then follow the provisions of these guidelines in taking spousal maintenance into account in setting the amount of child support.
5. Support provided to other persons for whom the parent has no legal duty of support, such as the parent’s stepchildren or parents, provides no basis adjusting the amount of child support due under these guidelines.
6. In appropriate cases, a custodial parent may be ordered to pay child support.
7. The child support calculation is based on adjusted gross income, as defined in these guidelines.
8. Child support is set in equal monthly amounts. Therefore, monthly figures are used to calculate the child support obligation. Average monthly figures should be used when income or expense amounts fluctuate over the course of a year.

**EXAMPLE OF
FLUCTUATING EXPENSES:**
At a child support hearing in a paternity action a custodial parent requests an adjustment for childcare costs (Section II(G)(3)). The parent incurs childcare costs of \$150 per month but only for nine months of the year. The adjustment for childcare costs must be annualized as follows:

Multiply the \$150 monthly cost times the nine months that the cost is actually paid each year, for an annual total of \$1,350. Divide this total by 12 months to arrive at an annualized monthly adjustment of \$113 that may be added to the Basic Child Support Obligation when determining the child support order.

9. When determining the basic child support obligation under Section II (F), the amount derived from the Schedule of Basic Child Support Obligations shall not be less than the amount indicated on the Schedule:
- a. For six children where there are more than six children.
 - b. For the combined adjusted gross income of \$20,000 where the actual combined adjusted gross income of the parents is greater than \$20,000.

C. PRESUMPTION AND APPLICATION

These guidelines apply to all actions involving establishment of child support, past child support, or modification of child support. The court shall order the amount under these guidelines absent a deviation pursuant to Section IV(A).

Except for defaults or as otherwise agreed upon by the parties, all child support orders entered after (_____, 2012) shall be made pursuant to these guidelines,

whether they be original orders or modifications of pre-existing orders, unless the court determines otherwise based on good cause shown. In cases of default, the guidelines in effect at the time of filing the action will be used. The parties may agree to use either the guidelines in effect at the time of filing the action or those in effect at the time the order is entered.

A substantial variance between an existing child support order and an amount resulting from application of the new guidelines may be considered evidence of a substantial and continuing change of circumstances for purposes of a modification. A variance of at least 15% would be evidence of a substantial and continuing change of circumstances.

D. BASIS OF GUIDELINES

The Arizona Child Support Guidelines are based on the financial resources and needs of the child and of each parent, the standard of living the child would have enjoyed in a two-parent household, and the allocation of parenting time, as contemplated by A.R.S. Section 25-320(D).

E. DEFINITIONS

These definitions are for the purpose of these guidelines only.

Adjusted Gross Income: Adjusted gross income is gross income minus the adjustments provided in Section II(D) of these guidelines. This amount may differ from adjusted gross income for tax purposes.

Alternate Deduction: If a parent provides support for a child that is not the subject of this action and for which there is no court order for support, the parent may include this

ARIZONA CHILD SUPPORT GUIDELINES

monthly support amount in the child support calculation; however, the alternate deduction may not exceed the standard deduction that is automatically calculated.

Annualize Paid Amounts: Monthly figures are used to calculate the child support obligation. Any adjustments to the child support amount shall be annualized so that each month's child support obligation is increased or decreased in an equal amount, instead of the obligation for particular months being abated, increased, or decreased. Example found in Childcare Costs Section II(G)(3).

Arrears: The total unpaid support obligation owed by a person under a court order to pay support.

ATLAS Number: An ATLAS number is the "Arizona Tracking and Location Automated System" number given to child support cases. This is the account number for support payments at the Support Payment Clearinghouse. The ATLAS case number begins with numbers rather than letters.

Basic Child Support Obligation: The amount found in the Schedule of Basic Support Obligations. This amount is based on the parents' combined adjusted gross income and number of children. The Basic Child Support Obligation Schedule is part of these guidelines.

Calculator: The child support calculator located on the Arizona Judicial Branch website is accessible at:
<http://www.azcourts.gov/familylaw/2011ChildSupportCalculator.aspx>

Children of Other Relationships: Means natural or adopted children who are not the

subject of this particular child support determination.

Custodial Parent: The parent with greater parenting time, unless the parents share equal parenting time.

Deviation from the Application of the Guidelines: The court may order support that deviates from the guidelines after considering all relevant factors, including those set forth in A.R.S. Section 25-320(D) and applicable case law, if certain criteria are met. See Section IV(A).

Equal Parenting Time: A parenting time arrangement that allows both parents to spend essentially equal time each year with the child or children.

Extra Education Expenses: Extra education expenses refer to any reasonable and necessary expenses for attending private or special schools or necessary expenses to meet particular educational needs of a child, when such expenses are incurred by agreement of both parties or ordered by the court.

Extraordinary Child Expenses: Extraordinary expenses are associated with the special needs of a child, when such expenses are incurred by agreement of both parties or ordered by the court.

Gross Income: Gross income includes income from any source as outlined in Section II(B).

Guideline Support Amount: The guideline support amount is the amount resulting from the application of these guidelines, unless a written finding is made that application of the guidelines would be inappropriate or unjust in a particular case.

Noncustodial Parent: The parent with less parenting time, unless the parents share equal parenting time.

Obligee: The person who is to receive child support payments.

Obligor: The person who owes a child support obligation.

Parenting Time: The number of days per year that a parent has physical custody of the child, as calculated in Section II(J).

Parenting Time Adjustment: An adjustment to the preliminary support amount to reflect parenting time as calculated under Section II(J).

Parent’s Worksheet for Child Support Amount: The worksheet is a printable version of the entries and amounts from the child support calculator. (Also referred to as the “worksheet.”)

Preliminary Child Support Obligation: The total child support obligation adjusted for parenting time.

Presumptive Termination Date: Upon entry of an initial or modified child support order, the court shall, or in any subsequent action relating to the child support order, the court may, establish a presumptive termination date (PTD) for the termination of current child support obligation. The presumptive termination date is the last day of the month of the 18th birthday of the youngest child included in the order, unless the court finds that it is projected that the youngest child will not complete high school by age 18. In that event, the presumptive termination date is the last day of the month

of the anticipated graduation date or age 19, whichever occurs first.

Simplified Application of the Guidelines: The simplified application of the guidelines is the amount located in the schedule based on the gross monthly income of the parent claiming this adjustment and number of children subject to this adjustment.

Standard Deduction: The standard deduction is the amount that is automatically calculated (based on a simplified application of the guidelines) and inserted into the calculator. This amount may not be exceeded by an alternate deduction for support provided to other natural or adopted children who are not subject of a court order.

Title IV-D Matter: (Pronounced “four-D”). Title IV-D of the Social Security Act is that portion of the federal law covering the child support enforcement program. The Division of Child Support Enforcement (DCSE) is the agency providing the child support enforcement program in Arizona.

Total Child Support Obligation: The total child support obligation is the amount of the basic child support obligation plus the amount of the adjustments for older children, health insurance, extra education expenses, and extraordinary expenses.

**Section II.
Determining the Guideline
Support Amount**

A. INCOME

Basic Principles for Determining the Parental Income Considered in the Guidelines

1. The child support amount is based on the adjusted gross incomes of the child's parents, calculated according to the principles set forth in this section. The income of a parent's new spouse is not counted or included as income of the child's parent.
2. Each parent's gross income and adjusted gross income is determined as set forth in this section.

B. INCLUSIONS TO GROSS INCOME OF THE PARTIES

1. Gross income includes income from any source and may include, but is not limited to, income from salaries, wages, commissions, bonuses, dividends, severance pay, pensions, interest, trust income, annuities, capital gains, Social Security benefits (subject to Section IV(F)), received directly by either parent and not on behalf of a child, worker's compensation benefits, unemployment insurance benefits, disability insurance benefits, recurring gifts, and prizes. Seasonal or fluctuating income shall be averaged. Income from any source that is not continuing or recurring in nature need not be included as income for child support purposes.

2. Cash value may be assigned to in-kind or other non-cash benefits or to recurring contributions from any sources that reduce living expenses. For example, while the court may not consider the income of a new spouse, the court may consider the extent to which contributions from a new spouse, or others, reduce expenses and, if the court finds that regular or substantial contributions from a new spouse, or others, reduce living expenses, the court may determine the value of the reduced expenses and add that amount to the income of that party.
3. 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 reasonable expenses required to produce income. Ordinary and reasonable expenses include one-half of the self-employment tax actually paid.
4. Expense reimbursements or benefits received by a parent in the course of employment or self-employment or operation of a business shall be included in gross income if they are significant and reduce personal living expenses.
5. 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, the court may attribute income to a parent up to his or her earning capacity. If the reduction in income is voluntary but reasonable, the court shall balance the benefits of that parent's decisions against the financial detriment, if any, to the child. If there is no available income information, the

court shall presume that each parent is capable of earning at least the applicable minimum wage and attribute that amount to the parent. However, the court may decline to attribute income to either parent. Examples of cases in which it may be inappropriate to attribute income include, but are not limited to, the following circumstances:

- a. A parent is physically or mentally disabled.
- b. A parent is engaged in reasonable career or occupational training to establish basic skills or reasonably calculated to enhance earning capacity.
- c. Emotional or physical needs of a natural or adopted child require that parent's presence in the home.
- d. A parent is incarcerated.
- e. Any other factors beyond the parent's current control that suggest the parent's earning history is not a good indication of that parent's current ability to earn income.

The court may reduce the amount of income attributed to a parent by the reasonable childcare costs that would be necessary to earn that income.

C. EXCLUSIONS FROM GROSS INCOME

- 1. Gross income does not include sums received as child support or benefits received from means-tested public assistance programs including, but not limited to, Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), Food Stamps

(now known as Nutrition Assistance), and General Assistance.

- 2. Gross income does not include benefits received on behalf of a child.
- 3. Each parent should have the choice of working additional hours through overtime or at a second job without affecting the child support award. Generally, the court should not include income greater than what would have been earned from full-time employment. The court may, however, include income actually earned that is greater than would have been earned by full-time employment if that income was historically earned from a regular schedule and is anticipated to continue into the future. The court should generally not include additional income if earning that additional income would require an extraordinary work regimen. Determination of what constitutes an extraordinary work regimen depends upon all relevant circumstances, including the choice of jobs available with a particular occupation, working hours, and working conditions.

D. ADJUSTMENTS TO INCOME

- 1. The court-ordered amount of spousal maintenance resulting from this or any other marriage, if actually being paid, shall be deducted from the gross income of the parent paying spousal maintenance. The court-ordered amount of spousal maintenance resulting from this or any other marriage, if actually being paid, shall be added to the gross income of the parent receiving spousal maintenance. Court-ordered arrearage payments shall not be included as an adjustment to gross income.

2. An amount shall be deducted from the gross income of a parent for children of other relationships covered by a court order for whom he or she is the custodial parent. The amount of the adjustment shall be determined by a simplified application of the guidelines (defined in example below).
3. The court-ordered amount of child support for children of other relationships, if actually being paid, shall be deducted from the gross income of the parent paying that child support. Court-ordered arrearage payments shall not be included as an adjustment to gross income.
4. An amount may be deducted from the gross income of a parent for support of natural or adopted children of other relationships not covered by a court order. The amount of any adjustment shall not exceed the amount arrived at by a simplified application of the guidelines (defined in example below).

SIMPLIFIED APPLICATION OF THE GUIDELINES

EXAMPLE: A parent having gross monthly income of \$2,000 supports a natural or adopted minor child who is not the subject of the child support case before the court and for whom no child support order exists. To use the simplified application of the guidelines, locate \$2,000 in the combined adjusted gross income column of the schedule. Select the amount in the column for one child, \$418. The parent's income may be reduced up to \$418, resulting in an adjusted gross income of \$1,582.

E. ADJUSTED MONTHLY GROSS INCOME

Adjusted gross income is gross income minus the adjustments provided in Section II(D) of these guidelines. The adjusted gross income for each parent shall be established. These amounts shall be added together. The sum is the combined adjusted gross income.

F. DETERMINING THE BASIC CHILD SUPPORT OBLIGATION

Locate the income closest to the parents' combined adjusted income figure on the Schedule of Basic Child Support Obligations and select the column for the number of children involved. This number is the basic child support obligation. If the parents' income falls exactly in between two combined adjusted gross income amounts, round up to the nearest combined adjusted income entry on the schedule of basic child support obligations.

ROUNDING THE COMBINED ADJUSTED GROSS INCOME

EXAMPLE: The combined adjusted gross income of the parents is \$8,125, which is exactly between \$8,100 and \$8,150. Round up to the nearest combined adjusted income entry of \$8,150 and use this amount as the basic child support obligation.

If there are more than six children, the amount derived from the schedule of basic support obligations for six children shall be the presumptive amount. The party seeking a greater sum shall bear the burden of proof

that the needs of the children require a greater sum.

If the combined adjusted gross income of the parties is greater than \$20,000 per month, the amount set forth for combined adjusted gross income of \$20,000 shall be the presumptive basic child support obligation. The party seeking a sum greater than this presumptive amount shall bear the burden of proof to establish that a higher amount is in the best interests of the children, taking into account such factors as the standard of living the children would have enjoyed if the parents and children were living together, the needs of the children in excess of the presumptive amount, consideration of any significant disparity in the respective percentages of gross income for each party, and any other factors that demonstrate, on a case-by-case basis, that the increased amount is appropriate.

G. ADJUSTMENTS TO THE BASIC CHILD SUPPORT AMOUNT

1. Older Child Adjustment

The court may add to the basic child support obligation an amount for an older child adjustment. The average expenditures for children age 12 or older exceed the average expenditures for all children by approximately 10%. Therefore, the court may increase child support for a child who has reached the age of 12 years by an amount up to 10% of the child support shown on the Schedule. If the court chooses to make an adjustment, the following method of calculation shall be used:

ADJUSTMENT FOR AN OLDER CHILD EXAMPLE:

The basic child support obligation for one child, age 12, is \$400. As much as \$40 may be added to the basic child support obligation, for a total of \$440. If not all children subject to the order are age 12 or over, the increase will be prorated as follows: assume the basic child support obligation for three children is \$687. If one of the three children is age 12 or over, assign 1/3 of the basic child support obligation to the older child (\$229). Up to 10% (\$23) of that portion of the basic child support obligation may be added as an older child adjustment, increasing the obligation to \$710. NOTE: This prorating method is limited to this section and should not be followed in Section V(B).

2. Medical, Dental, and Vision Insurance Adjustment

State law requires orders for child support to assign responsibility for providing medical insurance for the children who are the subject of the child support order. (A.R.S. Sections 25-320, 25-500 and 25-529.) The court shall adjust the basic child support obligation to reflect the cost of the children's medical, dental, and vision insurance coverage, if any. (This provision does not imply any obligation of either parent to provide dental or vision insurance.) In determining the amount to be added, only the amount of the insurance cost attributable to the children who are the subject of the child support order shall be

included. If coverage is applicable to other persons, the total cost shall be prorated by the number of persons covered. The court may decline to credit a parent for medical, dental, and vision insurance coverage obtained for the children if the coverage is not valid in the geographic region where the children reside. The court shall not adjust the basic child support obligation for cash medical support pursuant to A.R.S. Section 25-320(K) or (L).

An order for child support shall assign responsibility for providing medical insurance for the children who are the subject of the child support order. If medical insurance of comparable benefits and cost is available to both parents, the court should assign the responsibility to the parent having primary physical custody.

ADJUSTMENT FOR HEALTH INSURANCE EXAMPLE:

Through an employment-related insurance plan, Mother provides insurance that covers Mother, one child who is the subject of the child support case, and two other children. Under the plan, the cost of an employee's individual insurance coverage would be \$50. This parent instead pays a total of \$170 for the "family option." Subtract the \$50 cost of individual coverage from the \$170 for the "family option" to find the cost of dependent coverage, which is \$120. Divide the \$120 by 3, the number of dependents covered. The cost attributable to the child who is the subject of the case is \$40.

3. *Childcare Costs*

The court may add to the basic child support obligation amounts for childcare appropriate to the parents' financial abilities.

If the court finds the amount of child support is sufficient to provide for childcare costs, the court may decline to include all or part of the childcare expense.

Expenses for childcare shall be annualized in accordance with Section I(B)(8).

A custodial parent paying for childcare may be eligible for a credit from federal tax liability for childcare costs for dependent children. The custodial parent is the parent who has physical custody of the children for the greater part of the year. In an equal physical custody situation, neither parent shall be entitled to the credit for purposes of calculating child support. Before adding childcare costs to the basic child support obligation, the court may adjust this cost in order to apportion the benefit that the dependent tax credit will have to the parent incurring the childcare costs.

At lower income levels, the head of household does not incur sufficient tax liability to benefit from the federal childcare tax credit. No adjustment should be made where the income of the custodial parent is less than indicated on the following chart:

MONTHLY GROSS INCOME OF THE CUSTODIAL PARENT	
ONE CHILD	\$2,100
TWO CHILDREN	\$2,600
THREE CHILDREN	\$2,700
FOUR CHILDREN	\$2,800
FIVE CHILDREN	\$3,050
SIX CHILDREN	\$3,300

If the custodial parent’s income is greater than indicated on the above chart, the court may adjust this cost for the federal childcare tax credit if the credit is actually claimed or will be claimed.

For one child with monthly childcare costs exceeding \$200, deduct \$50 from the monthly childcare amount. For two or more children with total monthly childcare costs exceeding \$400, deduct \$100 from the monthly childcare amount. See Example 1.

For one child with monthly childcare costs of \$200 or less, deduct 25% from the monthly childcare amount. For two or more children with total monthly childcare costs of \$400 or less, deduct 25% from the monthly childcare amount. See Example 2.

Any adjustment for the payment of childcare costs with pre-tax dollars shall be calculated in a similar manner. A percentage adjustment other than 25% may be utilized if proven by the parent paying the childcare costs.

CHILDCARE COSTS

EXAMPLE 1: For two children, a parent pays monthly childcare costs of \$550 for nine months of the year. To adjust for the expected tax credit benefit, first determine whether the average cost of childcare exceeds \$400 per month. In this example, because the average cost of \$413 (\$550 multiplied by 9 months, divided by 12 months) exceeds the \$400 maximum for two or more children, \$100 per month may be subtracted from the average monthly cost. For adjusted childcare costs, \$313 (\$413 - \$100) may be added to the basic child support obligation.

CHILDCARE COSTS

EXAMPLE 2: A parent pays monthly childcare costs of \$175 for one child. Because this amount is less than the \$200 maximum for one child, multiply \$175 by 25% (\$175 multiplied by 25% = \$44). Subtract the adjustment from the monthly average (\$175 - \$44 = \$131). The adjusted amount of \$131 may be added to the basic child support obligation.

4. *Education Expenses*

The court may adjust for any reasonable and necessary expenses appropriate to the parents’ financial abilities for a child’s attendance at a private or special school or necessary expenses to meet particular

educational needs of a child when such expenses are incurred by agreement of both parents or ordered by the court.

5. *Extraordinary Child Expenses*

The court may adjust the basic child support obligation appropriate to the parents' financial abilities to provide for the special needs of gifted or handicapped children. These guidelines are designed to fit the needs of most children; typical extracurricular and school activity expenses are not considered extraordinary expenses.

H. APPLYING ADJUSTMENTS

If a parent pays for court-approved costs for health insurance, childcare costs, educational expenses, and extraordinary expenses, deduct the cost from that parent's proportionate share of income to arrive at the preliminary child support amount.

APPLYING ADJUSTMENTS

EXAMPLE: A noncustodial parent pays for health insurance through an employer-provided plan. This cost is added to the basic child support obligation pursuant to Section II(G)(2) and then prorated between the parents to arrive at each parent's proportionate child support obligation. Because the cost has already been paid to a third-party (the insurance company), the cost must be deducted from the noncustodial parent's child support obligation because this portion of the child support obligation has already been paid.

I. DETERMINING EACH PARENT'S PROPORTIONATE SHARE OF THE TOTAL CHILD SUPPORT OBLIGATION

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 the combined adjusted gross income by the total child support obligation.

EXAMPLE: Combined adjusted gross income is \$1,000. The father's adjusted gross income is \$600. Divide the father's adjusted gross income by the combined adjusted income. The result is the father's share of the combined adjusted gross income. (\$600 divided by \$1,000 = 60%). The father's share is 60%; the mother's share is 40%.

J. ADJUSTING SUPPORT AMOUNTS TO REFLECT THE PARENTING TIME ALLOCATION

Because the Schedule of Basic Child Support Obligations is based on expenditures for children in intact households, there is no consideration for costs associated with parenting time. When parenting time is exercised by the noncustodial parent, a portion of the costs for children normally expended by the custodial parent shifts to the noncustodial parent. Accordingly, unless it is apparent from the circumstances that the noncustodial parent will not incur costs for the children during parenting time, when proof establishes that parenting time is or is expected to be exercised by the noncustodial

parent, an adjustment shall be made to that parent's proportionate share of the total child support obligation. To calculate child support in equal custody cases, see Section II(K).

For purposes of calculating parenting time days, only the time spent by a child with the noncustodial parent is considered. Time that the child is in school or childcare is not considered.

To adjust for the costs of parenting time, first determine the total annual amount of parenting time indicated in a court order or parenting plan or by the expectation or historical practice of the parents. Using the following definitions, add together each block of parenting time to arrive at the total number of parenting time days per year. Calculate the number of parenting time days arising from any block of time the child spends with the noncustodial parent in the following manner:

1. Each block of time begins and ends when the noncustodial parent receives or returns the child from the custodial parent or from a third-party with whom the custodial parent left the child. Third-party includes, for example, a school or childcare provider.
2. Count one day of parenting time for each 24 hours within any block of time.
3. To the extent there is a period of less than 24 hours remaining in the block of time, after all 24-hour days are counted or for any block of time which is in total less than 24 hours in duration:
 - a. A period of 12 hours or more counts as one day.

b. A period of 6 to 11 hours counts as a half-day.

c. A period of 3 to 5 hours counts as a quarter-day.

d. Periods of less than 3 hours may count as a quarter-day if, during those hours, the noncustodial parent pays for routine expenses of the child, such as meals.

PARENTING TIME

EXAMPLE 1. *Noncustodial parent receives the child at 9:00 p.m. on Thursday evening and brings the child to school at 8:00 a.m. on Monday morning. The custodial parent picks up the child at 3:00 p.m. on Monday.*

- a. *9:00 p.m. Thursday to 9:00 p.m. Sunday is three days.*
- b. *9:00 p.m. Sunday to 8:00 a.m. Monday is 11 hours, which equals a half day.*
- c. *Total is 3 ½ days.*

PARENTING TIME

EXAMPLE 2. *Noncustodial parent picks the child up from school at 3:00 p.m. Friday and returns the child to school at 8:00 a.m. on Monday.*

- a. *3:00 p.m. Friday to 3:00 p.m. Sunday is two days.*
- b. *3:00 p.m. Sunday to 8:00 a.m. Monday is 17 hours, which equals one day.*
- c. *Total is 3 days.*

PARENTING TIME

EXAMPLE 3. *Noncustodial parent picks up child from soccer at noon on Saturday and returns the child to custodial parent at 9:00 p.m. on Sunday.*

a. Noon Saturday to noon Sunday is one day.

b. Noon Sunday to 9:00 p.m. Sunday is 9 hours, which equals ½ day.

c. Total is 1 ½ days.

After determining the total number of parenting time days, refer to “Parenting Time Table A” below. The left column of the table sets forth numbers of parenting time days in increasingly higher ranges. Adjacent to each range is an adjustment percentage. The parenting time adjustment is calculated as follows: locate the total number of parenting time days per year in the left column of “Parenting Time Table A” and select the adjustment percentage from the adjacent column. Multiply the basic child support obligation determined under Section II(F) by the appropriate adjustment percentage. The number resulting from this multiplication then is subtracted from the proportionate share of the total child support obligation of the parent who exercises parenting time.*

* For additional information regarding parenting plans, see “Planning for Parenting Time, Arizona’s Guide for Parents Living Apart” located online at: <http://www.azcourts.gov/Portals/31/ParentingTime/PPWguidelines.pdf>. This updated guide will help parents reach agreements about parenting time with their children. Judicial officers may also find the guide helpful in cases where the court must craft the parenting time plan. The guide book is also available in Spanish.

PARENTING TIME TABLE A	
Number of Parenting Time Days	Adjustment Percentage
0 - 3	0
4-20	.012
21-38	.031
39-57	.050
58-72	.085
73-87	.105
88-115	.161
116-129	.195
130-142	.253
143-152	.307
153-162	.362
163-172	.422
173-182	.486

EXAMPLE: *The basic child support obligation from the schedule is \$671 for two children. After making all applicable adjustments under Section II(G), the total child support obligation is \$1,105, and the noncustodial parent's proportionate share is 60%, or \$663. The noncustodial parent has parenting time with the children a total of 100 days. On Parenting Time Table A, the range of days for this amount of parenting time is from 88 to 115 days. The corresponding adjustment percentage is .161. Multiply the \$671 basic child support obligation by .161 or 16.1%. The resulting \$108 is subtracted from \$663 (the noncustodial parent's proportionate share of the total child support obligation), adjusting the child support obligation to \$555.*

As the number of parenting time days approaches equal time sharing (143 days and above), certain costs usually incurred only in the custodial household are assumed to be substantially or equally shared by both parents. These costs are for items such as the child's clothing and personal care items, entertainment, and reading materials. If this assumption is rebutted by proof, for example, that such costs are not substantially or equally shared in each household, only Parenting Time Table B must be used to calculate the parenting time adjustment for this range of days. Locate the total number of parenting time days per year in the left column of "Parenting Time Table B" and select the adjustment percentage from the adjacent column. Multiply the basic child support obligation determined under Section II(F) by the appropriate adjustment percentage. The number resulting from this multiplication then is subtracted from the proportionate share of the total child support obligation of the parent who exercises parenting time.

PARENTING TIME TABLE B	
Number of Parenting Time Days	Adjustment Percentage
143 – 152	.275
153 – 162	.293
163 – 172	.312
173 – 182	.331

K. EQUAL CUSTODY

If the time spent with each parent is essentially equal, the expenses for the children are equally shared, and adjusted gross incomes of the parents also are essentially equal, no child support shall be

paid. If the parents' incomes are not equal, the total child support amount shall be divided equally between the two households, and the parent owing the greater amount shall be ordered to pay what is necessary to achieve that equal share in the other parent's household.

EQUAL CUSTODY EXAMPLE:

After making all applicable adjustments under Section II(G)(2-5), the remaining child support obligation is \$1,500. The parents' proportionate shares of the obligation are \$1,000 and \$500. To equalize the child support available in both households, deduct the lower amount from the higher amount (\$1,000 - \$500 = \$500), then divide the balance in half (\$500 ÷ 2 = \$250). The resulting amount, \$250, is paid to the parent with the lower obligation.

L. DETERMINING THE CHILD SUPPORT ORDER

The court shall order the noncustodial parent to pay child support in an amount equal to his or her proportionate share of the total child support obligation. The custodial parent shall be presumed to spend his or her share directly on the children.

***EXAMPLE:** On the schedule, the basic child support obligation for a combined adjusted gross income of \$1,500 for one child is \$327. To this the court adds \$33 because the child is over 12 years of age (10% in this example). The total child support obligation is \$360. The father's share is 60% of \$360, or \$216. The mother's share is 40% of \$360, or \$144. Custody is granted to the mother, and under the court approved parenting plan, parenting time will be exercised by the father a total of 100 days per year resulting in an adjustment of \$53 ($\$327 \times 16.1\%$). After adjusting for parenting time, the father's share is \$163 ($\216 less $\$53$). The father shall pay the child support amount of \$163 per month. The value of the mother's contribution is \$144, and she spends it directly on the child.*

M. SELF-SUPPORT RESERVE TEST

In each case, after determining the child support order, the court shall perform a self-support reserve test to verify that the noncustodial parent is financially able both to pay the child support order and to maintain at least a minimum standard of living, as follows:

Deduct \$903 (the self-support reserve amount) from the noncustodial parent's adjusted gross income, except that the court may deduct from such parent's adjusted gross income for purposes of the self-support reserve test only, court-ordered arrears on child support for children of other relationships or spousal maintenance, if

actually paid. If the resulting amount is less than the child support order, the court may reduce the current child support order to the resulting amount after first considering the financial impact the reduction would have on the custodial parent's household. The test applies only to the current child support obligation but does not prohibit an additional amount to be ordered to reduce an obligor's arrears.

***EXAMPLE 1:** Before applying the self-support reserve test, the child support order is calculated under the guidelines to be \$175. The adjusted gross income of the noncustodial parent is \$978. Subtracting the self-support reserve amount of \$903 from the noncustodial parent's adjusted gross income of \$978 leaves \$75. Because this resulting amount is less than the \$175 child support order, the court may reduce the child support order to the resulting amount. However, before making any reduction, the court shall examine the self-support capability of the non-paying parent, using the same self-support reserve test applied to the noncustodial parent.*

***EXAMPLE 2:** In this example, the non-paying parent's proportionate share of the total child support obligation is calculated under the guidelines to be \$202. This parent's adjusted gross income is \$950. Subtracting the self-support reserve of \$903 from the non-paying parent's adjusted gross income of \$950 leaves \$47. Because this resulting amount is less than the parent's proportionate share of the total child support obligation, it is evident that both parents have insufficient income to be self-supporting. In this situation, the court has discretion to determine whether and in what amount the child support order (the amount the noncustodial parent is ordered to pay) may be reduced.*

N. ROUNDING THE FINAL SUPPORT ORDER

1. When the final support order is insignificant, the court may round it to zero.
2. Child support shall be presumptively rounded to the nearest ten dollars.
3. A rounded amount reached by the application of paragraphs 1 and 2 is not a deviation.

**Section III.
Guideline Support Amount**

A. COURT'S FINDINGS

The court shall make findings in the record as to: gross income, adjusted gross income, basic child support obligation, court-approved adjustments to support, total child support obligation, each parent's proportionate share of the child support obligation, and the child support order. The findings may be made by incorporating a worksheet containing this information into the file. The child support order shall be a sum certain and shall start on a date certain. A new child support order shall be filed upon any change in the amount or due date of the child support obligation.

B. EXCHANGE OF INFORMATION

The court shall order that every 24 months, financial information such as tax returns, financial affidavits, and earning statements be exchanged between the parties. Unless the court has ordered otherwise, at the time the parties exchange financial information, they shall also exchange residential addresses and the names and addresses of their employers.

C. GIFTS IN LIEU OF MONEY

Once child support has been ordered by the court, the child support is to be paid in money. Gifts of clothing, etc., in lieu of money are not to be offset against the child support order except by court order.

**D. FEDERAL AND STATE TAX
EXEMPTION FOR
DEPENDENT CHILDREN**

All the federal and state tax exemptions applicable to the minor children shall be allocated between the parents as they agree, or, in the absence of their agreement, in a manner that allows each parent to claim allowable federal dependency exemptions proportionate to adjusted gross income in a reasonable pattern that can be repeated in no more than 5 years. This may be done by allocating claiming of the children or claiming of specific years. To implement this provision, the proportionate share of the combined adjusted gross income of both parents is rounded to the nearest fraction with a denominator no larger than 5 (i.e. 1/2, 1/3, 2/3, 1/4, 3/4, 1/5, 2/5, 3/5, 4/5). For illustrative purposes, assume father earns \$60,000 and mother earns \$40,000 of the combined adjusted gross income of \$100,000. Father's share of the combined income is 3/5. If father earned \$30,000 and mother earned \$20,000, then 3/5 would still be the fraction with a denominator of 5 or less that comes closest to father's share of the parents' combined adjusted gross income. The dependency exemption shall therefore be allocated utilizing this fraction. If a parent otherwise entitled to the dependency exemption would derive no tax benefit from claiming it in any given tax year, then the entire exemption for that tax year, and not just the share indicated by the preceding sentence, may be allocated to the parent who would derive a tax benefit for that tax year. An Internal Revenue Service Form 8332 may need to be signed and filed with a parent's income tax return.

The court may deny the right to a present or future tax exemption when a history of non-payment of child support exists. The

allocation of the exemption may be conditioned upon payment by December 31 of the total court-ordered monthly child support obligation for the current calendar year and any court-ordered arrearage payments due during that calendar year for which the exemption is to be claimed. If these conditions have been met, the custodial parent will need to execute the necessary Internal Revenue Service form (Form 8332) to transfer the exemption. If the noncustodial parent has paid the current child support but has not paid the court-ordered arrearage payments, the noncustodial parent shall not be entitled to claim the exemption.

INCOME TAX EXEMPTION

EXAMPLE: *Noncustodial parent's percentage of gross income is approximately 67% (2/3), and custodial parent's percentage is approximately 33% (1/3). All payments are current. If there are three children, the noncustodial parent would be entitled to claim the exemption for two children and the custodial parent would be entitled to claim the exemption for one child. If there is only one child, the noncustodial parent would be entitled to claim the child two out of every three years, and the custodial parent would claim the child one out of every three years.*

For purposes of this section only, a noncustodial parent shall be credited as having paid child support that has been

deducted on or before December 31 pursuant to an order of assignment if the amount has been received by the court or clearinghouse by January 15 of the following year.

E. UNREIMBURSED MEDICAL EXPENSES

The court shall also specify the percentage that each parent shall pay, in excess of cash medical support (applicable to Title IV-D cases only), for any medical, dental, and vision costs of the children that are not covered by insurance. For purposes of this paragraph, non-covered "medical" means medically necessary medical, dental, and vision care as defined by Internal Revenue Service Publication 502.

Except for good cause shown, any request for payment or reimbursement of uninsured medical, dental, and vision costs must be provided to the other parent within 180 days after the date the services occur. The parent responsible for payment or reimbursement must pay his or her share, as ordered by the court, or make acceptable payment arrangements with the provider or person entitled to reimbursement within 45 days after receipt of the request.

Both parents should use their best efforts to obtain services that are covered by the insurance. A parent who is entitled to receive reimbursement from the other parent for medical costs not covered by insurance shall, upon request of the other parent, provide receipts or other evidence of payments actually made.

F. TRAVEL EXPENSES

The court may divide parenting time travel expenses between the parents where one-way travel for parenting time exceeds 100 miles or in extraordinary circumstances. The court

ARIZONA CHILD SUPPORT GUIDELINES

shall consider the financial resources of the parents and may consider how a parent's conduct, such as a change of residence, has affected the costs. The court may:

1. Order one parent to reimburse the other parent. The party who is entitled to travel reimbursement shall provide written evidence to the other parent of expenses

actually paid within 30 days of payment, and the other party shall reimburse the expense within 14 days of receipt of the written evidence, or

2. Assign to one parent all of the travel expenses and alter the child support to reflect the fact that the parent is paying all of the travel expenses.

**Section IV.
Special Circumstances**

A. DEVIATION

1. BY COURT

The court may order support that is a deviation from the guidelines after considering all relevant factors, including those set forth in A.R.S. Section 25-320, and applicable case law, if all of the following criteria are met:

- a. Application of the guidelines is inappropriate or unjust in the particular case.
- b. The court has considered the best interests of the child in determining the amount of a deviation. A deviation that reduces the amount of child support paid is not, by itself, contrary to the best interests of the child.
- c. The court makes written findings in the child support order, minute entry or child support worksheet regarding (a) and (b) above, the guideline support amount and the amount after the deviation.

2. BY AGREEMENT

The court may deviate from the guidelines based upon an agreement of the parties only if all of the following criteria are met:

- a. The agreement is in writing or stated on the record pursuant to Rule 69, Arizona Rules of Family Law Procedure (*ARFLP*).

- b. All parties have entered into the agreement with knowledge of the amount of the guideline support amount.
- c. All parties have entered into the agreement free of duress and coercion.
- d. The court complies with the requirements of Section IV(A)(1).

3. EXAMPLES FOR DEVIATION

Circumstances that may justify a deviation include, but are not limited to, the following:

- a. Excessive or abnormal expenditures, destruction, concealment or fraudulent disposition of community, joint tenancy and other property held in common, as provided in A.R.S. Section 25-320(D)(7).
- b. Extraordinary income tax circumstances, such as either party receiving substantial tax-free income or significant pre-tax benefits.
- c. When there are more than six children for whom the child support is ordered. In cases with significant disparity of income between the custodial and noncustodial parent, a deviation may be appropriate.

**B. MULTIPLE CHILDREN,
DIVIDED CUSTODY**

When each parent is granted physical custody of at least one of the parties' children, each parent is obligated to contribute to the support of all the children. In that circumstance, separate child support

calculations should be performed for the child or children in each parent's home. The amount of the resulting child support to be paid by the parent having the greater child support obligation shall be reduced by the amount of child support owed to that parent by the other parent.

**MULTIPLE CHILDREN,
DIVIDED CUSTODY**

EXAMPLE: (For simplicity, this example does not consider parenting time.) Combined adjusted gross income is \$3,000 per month. Father's gross income is \$1,000 per month (33.3%) and he has custody of one child. Mother's gross income is \$2,000 per month (66.6%) and she has custody of two children.

Prepare a parent's worksheet to determine child support for children in Mother's household. Locate the combined adjusted gross income figure of \$3,000 on the schedule. Select the child support figure in the column for the two children in this household, \$863. Father's share is 33.3% of \$863, or \$287.

Prepare a parent's worksheet to determine child support for the child in Father's household. Locate the combined adjusted gross income figure of \$3,000. Select the child support figure in the column for the one child in this household, \$596. Mother's share is 66.6% of \$596, or \$397.

Mother is obligated to pay Father \$397 for child support. This amount is reduced by the \$287 obligation owed by Father to Mother. Thus, Mother shall pay \$110 per month.

**C. MULTIPLE CHILDREN, VARYING
PARENTING TIME SCHEDULE**

When there are multiple children whose parenting time schedules differ from one another, the parenting time adjustment cannot be determined with the same precision as when the children have the same schedule. In that circumstance, two separate calculations should be performed. The first should be based upon the assumption that all of the children are under the lesser parenting time schedule. The second calculation should be based upon the assumption that all of the children are under the greater parenting time schedule. The two resulting child support amounts shall represent the range of the support obligation between the two parenting time schedules. Based upon the particular circumstances of the case, the final child support obligation may be any amount that falls within the range of the two calculated figures.

EXAMPLE: Father's gross income is \$4,000 and Mother's gross income is \$4,000. The parties have three children, all of whom reside primarily with Mother. One of the children has 50 days of parenting time with Father and the other two children have 150 days of parenting time with Father.

Calculate the child support obligation for all three children assuming that they are each under the 50-day parenting time schedule. This results in a monthly obligation owed by Father of \$796. Then calculate the child support obligation for all three children under the 150-day parenting time

schedule. This results in a monthly obligation owed by Father of \$145. The two resulting figures of \$796 and \$145 provide the range for the final child support obligation. Any amount within this range is considered consistent with the guidelines, and it is not a deviation.

If it is determined that a weighted average is the most appropriate method to arrive at a precise support amount, that figure can be arrived at as follows: Begin with the support amount arrived at for the lesser number of parenting days (50 parenting days resulting in a support amount of \$796 under this example) and multiply that by the number of children that are actually under that schedule (one child under this example). Then use the support amount arrived at for the greater number of parenting days (150 parenting days resulting in a support amount of \$145 under this example) and multiply that by the number of children under that schedule (two children under this example). Add the amount determined for the lesser number of parenting days ($\$796 \times 1 \text{ child} = \796 under this example) to the amount determined for the greater number of parenting days ($\$145 \times 2 \text{ children} = \290). This total amount ($\$796 + \$290 = \$1,086$) shall then be divided by the total number of children (three children under this example) to arrive at the weighted child support figure ($\$1,086 \text{ divided by } 3 = \362 monthly child support obligation under this example).

D. THIRD-PARTY CAREGIVERS

When a child lives with a third-party caregiver by virtue of a court order, administrative placement by a state agency,

or under color of authority, the third-party caregiver may be entitled to receive child support payments from each parent on behalf of the child.

E. SUPPORT ASSIGNED TO THE STATE

If child support or cash medical support has been assigned to the state under A.R.S. Section 46-407 or A.R.S. Section 25-320(K)(1) or any subsequently adopted authorities, the obligation of a parent to pay child support or cash medical support shall not be offset by child support arrearages that may be owed to that parent. Child support or cash medical support assigned to the state may not be waived or forgiven by the custodial parent.

F. INCOME AND BENEFITS

1. INCOME OF A CHILD

Income earned or money received by a child from any source other than court-ordered child support shall not be counted toward either parent's child support obligation except as described below.

2. BENEFITS RECEIVED ON BEHALF OF A CHILD

Benefits, such as Social Security Disability (SSDI) or other insurance received by a custodial parent on behalf of a child as a result of contributions made by the obligor shall be credited as follows:

- a. If the amount of the child's benefit for a given month is equal to or greater than the obligor's child support obligation, then the obligor's obligation is satisfied.

- b. Any benefit received by the child for a given month in excess of the child support obligation shall not be credited against arrears, credited toward future support payments, or subject to any claim for reimbursement.
- c. If the amount of the child's benefit for a given month is less than the obligor's child support obligation, the obligor shall pay the difference between the benefit and the child support obligation.

3. BENEFITS NOT INCLUDED IN PARENT'S INCOME

Benefits received by either parent on behalf of a child are not included as gross income pursuant to Section II(C)(2).

4. DISABLED ADULT CHILD

Pursuant to A.R.S. § 25-320(E) and A.R.S. § 25-809(F), the court may order support to continue past the age of majority for a disabled child if the child is severely mentally or physically disabled as demonstrated by the fact that the child is unable to live independently and be self-supporting. In such a case, the court may take into account income earned or money received by or on behalf of the disabled adult child against any child support obligation. **Note:** Depending upon the nature of the court order, the benefits received by the disabled adult child may be reduced.

G. ARREARS

1. When setting or modifying the amount of an arrearage payment, the court shall balance all relevant considerations including the total amount of arrears, the accruing interest, the time it will take the obligor to pay these amounts, the obligee's financial circumstances, support of other children, and the obligor's reasonable ability to pay. The court shall not set the payment on arrears at an amount less than the accruing monthly interest unless there are compelling circumstances justifying a lower payment and the court makes a finding explaining why the lower payment is justified.
2. When a current child support obligation terminates, the court shall consider the amount of the monthly child support obligation at the time of termination as evidence of the amount the obligor has the ability to pay monthly toward arrears.
3. The court may modify the amount of the payment on arrears upon a showing of substantial and continuing changed circumstances.
4. In setting or modifying the arrearage payment, the court shall consider whether the obligor's available income after payment of all current child support obligations and payments on arrears meets the self-support reserve test.

**Section V.
Modification and Termination
of Support**

**A. DURATION AND TERMINATION OF
CHILD SUPPORT**

Duration of child support is governed by A.R.S. Section 25-320 and A.R.S. Section 25-501. Child support shall continue until a child reaches the age of majority unless that child is attending high school or a certified high school equivalency program at the time that the child turns 18. In that case, child support shall continue so long as the child is actually attending high school or the equivalency program, but only until the child reaches 19 years of age. In some circumstances, child support may continue after a child's 19th birthday but only if the child is severely mentally or physically disabled as demonstrated by the fact that the child is unable to live independently and be self-supporting.

The child support obligation presumptively terminates on the last day of the month of the 18th birthday of the youngest child included in the order unless the youngest child will not complete high school by age 18. In that event, the presumptive termination date shall be the last day of the month in which the child graduates from high school, stops attending high school, or turns age 19, whichever occurs first. In non-Title IV-D cases, the presumptive termination date should be included in an order of assignment. **HOWEVER, THE ORDER OF ASSIGNMENT OR INCOME WITHHOLDING ORDER MAY NOT STOP AUTOMATICALLY. IN THAT EVENT, A MOTION TO STOP THE**

INCOME WITHHOLDING ORDER MAY BE NECESSARY. IN A TITLE IV-D CASE, THE PERSON PAYING SUPPORT MAY CONTACT THE DEPARTMENT OF ECONOMIC SECURITY, WHICH CAN ADMINISTRATIVELY STOP THE INCOME WITHHOLDING ORDER.

An employer or other payor of funds honoring an order of assignment or an administrative income withholding order that includes the presumptive termination date and is for current child support only may discontinue withholding monies after the last pay period of the month of the presumptive termination date. If the order of assignment or administrative income withholding order includes current child support and arrearage payment, notwithstanding the presumptive termination date, the employer or other payor of funds shall continue withholding the entire amount listed on the order of assignment or administrative income withholding order until further order. For purposes of determining the presumptive termination date, it is further presumed that:

1. A child not yet in school will enter 1st grade if the child reaches age 6 on or before September 1 of the year in which the child reaches age 6; otherwise, it is presumed that the child will enter 1st grade the following year, and,
2. A child will graduate in the month of May after completing the 12th grade.

Even if a child support obligation has stopped, an order of assignment may not terminate. If the order of assignment does not stop, a specific order stopping the wage assignment must be obtained. In a Title IV-D case, the wage assignment may be stopped by contacting the IV-D agency.

B. EFFECT OF EMANCIPATION

If child support is ordered for more than one child, the amount of child support does not automatically change if one of the children graduates from high school, reaches the age of majority, dies, or is otherwise emancipated. To obtain a modification of the child support order, a request, petition or agreement must be made in writing to the court to recalculate the child support obligation pursuant to these guidelines.

C. MODIFICATION

Child support orders can be modified only by court order. An order to modify child support can be obtained through any of the following procedures:

1. STANDARD PROCEDURE

Pursuant to A.R.S. Section 25-327 and Section 25-503, either parent or the state Title IV-D agency may ask the court to modify a child support order upon a showing of a substantial and continuing change of circumstances.

2. SIMPLIFIED PROCEDURE

Either parent or the state Title IV-D agency may request the court to modify a child support order if application of the guidelines results in a final support order that varies 15% or more from the existing final support order. A 15% variation in the amount of the final support order will be considered evidence of a substantial and continuing change of circumstances. The simplified procedure also may be used by either parent or the state to establish a cash medical support order or to modify a child support order to assign or alter the responsibility to provide medical insurance for a child who is subject of a child support order. A

modification of the medical assignment or responsibility does not need to vary by 15% or more from the existing final support order to use the simplified procedure. A request for modification of the child support amount must be accompanied by the following documents: a completed and sworn parent's worksheet for child support amount, and "Affidavit of Financial Information" (see Section XIV, Rule 97, *ARFLP, Form 2*) documentation supporting the incomes if different from the court's most recent findings regarding income of the parents (including, without limit, copies of the last three years' tax returns filed by or on behalf of the applicant and/or any entity in which the applicant has an interest and the last six payroll stubs for the applicant); the last child support order entered by the court; evidence of whether the applicant, if the child support obligor, has paid child support for the past 12 months; and evidence of every category of adjustment within the child support worksheet (i.e., insurance expense, education expense, etc.). If the applicant is unable to provide documentation regarding the other parent's income or expenses, the requesting party shall indicate that the income amount for that parent is attributed or estimated and shall set forth the basis relied upon to include that income or expense figure. The state Title IV-D agency may submit a worksheet.

The simplified procedure shall not be applicable to any self-employed parties where self-employment is a significant source of income absent the agreement of both parents. If a self-employed parent files a simplified modification action, the other parent shall either file a request for hearing or an objection to simplified

process within the same time allowed to that parent to request a hearing. If the objection is timely filed, the modification matter shall be heard under the standard procedure.

If a responding party objects in writing to the simplified procedure within 20 days after service (if served in state), or 30 days after service (if served out of state), the matter shall be conducted under the standard procedure.

A copy of the request for modification of child support and the parent's worksheet for child support amount, including supporting documentation, showing that the proposed child support amount would vary 15% or more from the existing child support order shall be served on the other parent, or on both parents if filed by the state Title IV-D agency, pursuant to Rule 27, *ARFLP*.

If the requested modification is disputed, the parent disputing the modification must request a hearing within 20 days after service. If service is made outside the state, as provided in Rule 42, *ARFLP*, the parent receiving service must request a hearing within 30 days after service.

A party requesting a hearing or objection to simplified process shall file a written request for hearing or objection and, if the party is requesting a hearing, the hearing request must be accompanied by a completed and sworn parent's worksheet for child support amount. Copies of the documents filed, together with the notice of hearing or objection, shall be served on the other party and, if appropriate, the state Title IV-D agency by first class mail not less than 10 judicial days prior to the hearing.

Upon proof of service and if no hearing is requested within the time allowed, the court will review the request and enter an appropriate order or set the matter for hearing.

If any party requests a hearing within the time allowed, the court shall conduct such hearing. No order shall be modified without a hearing if one is timely requested.

The notice provision of Rule 44, *ARFLP*, does not apply to this simplified modification procedure.

A request to modify child support, request for a hearing and notice of hearing, parent's worksheet for child support amount and child support order filed or served pursuant to this subsection must be made using forms approved by the Arizona Supreme Court or substantially similar forms.

Approved forms are available from the clerk of the superior court.

3. BY AGREEMENT

The parties may agree to modify a final support order. To become effective, the agreement must be in writing, signed by all parties, filed with the clerk of court, and approved by the court. If the agreed-upon amount is different from the amount calculated under the guidelines, it must be explained as required by Section IV(A) above.

CORRELATION TABLE FOR 2011/INCORPORATED GUIDELINES	
2011 GUIDELINE SECTION	INCORPORATED GUIDELINE SECTION
Background	Stricken - no correlation
Section 1 Purposes	Section I(A) <i>Purposes</i>
1(A)	I(A)(1)
1(B)	I(A)(2)
1(C)	I(A)(3)
1(D)	I(A)(4)
Section 2 Premises	Section I(B) <i>Premises</i>
2(A)	I(B)(1)
2(B)	I(B)(2)
2(C)	I(B)(3) and (4)
2(D)	I(B)(5)
2(E)	I(C) and (B)(6)
2(F)	I(B)(8)
2(G)1	I(B)(9)(a)
2(G)2	I(B)(9)(b)
Section 3 Presumption	Section I(C) <i>Presumption and Application</i>
Section 4 Duration of Child Support	Section V(A) <i>Duration and Termination of Child</i>
4(A)	V(A)(1)
4(B)	V(A)(2)
Section 5 Determination of the Gross Income of the Parents	Section II <i>Determining the Guideline Support Amount</i>
5(A)	II(B)(1), II(B)(2) and II(C)(3)
5(B)	II(C)(1)
5(C)	II(B)(3)
5(D)	II(B)(4)
5(E)	II(B)(5)
5(E)1	II(B)(5)(a)
5(E)2	II(B)(5)(b)
5(E)3	II(B)(5)(c)

CORRELATION TABLE FOR 2011/INCORPORATED GUIDELINES	
2011 GUIDELINE SECTION	INCORPORATED GUIDELINE SECTION
5(E)4	Stricken - no correlation
5(F)	II(A)(1)
5(G)	IV(A)(3)
5(H)	Stricken - no correlation
Section 6 Adjustments to Gross Income	Section II(D) <i>Adjustments to Income</i>
6(A)	II(D)(1)
6(B)	II(D)(3)
6(C)	II(D)(2)
6(D)	II(D)(4)
Section 7 Determining the Adjusted Gross Income of the Parents	Section II(E) <i>Adjusted Monthly Gross Income</i>
Section 8 Determining the Basic Child Support Obligation	Section II(F) <i>Determining the Basic Child Support Obligation</i>
Section 9 Determining the Total Child Support Obligation	Section II(G) <i>Adjustments to the Basic Child Support Amount</i>
9(A)	II(G)(2)
9(B)1	II(G)(3)
9(B)2	II(G)(4)
9(B)3	II(G)(5)
9(B)4	II(G)(1)
Section 10 Determining Each Parent's Proportionate Share of the Total Child Support Obligation	Section II(I) <i>Determining Each Parent's Proportionate Share of the Total Child Support Obligation</i>
Section 11 Adjustment for Costs Associated with Parenting Time	Section II(J) <i>Adjusting Support Amounts to Reflect the Parenting Time Allocation</i>
11(A)	II(J)(1)
11(B)	II(J)(2)
11(C)	II(J)(3)

Revised 08/26/11

CORRELATION TABLE FOR 2011/INCORPORATED GUIDELINES	
2011 GUIDELINE SECTION	INCORPORATED GUIDELINE SECTION
11(C)1	II(J)(3)(a)
11(C)2	II(J)(3)(b)
11(C)3	II(J)(3)(c)
11(C)4	II(J)(3)(d)
Parenting Time Tables A and B	<i>Parenting Time Tables A and B</i>
Section 12 Equal Custody	Section II(K) <i>Equal Custody</i>
Section 13 Adjustments for Other Costs	Section II(H) <i>Applying Adjustments</i>
Section 14 Determining the Child Support Order	Section II(L) <i>Determining the Child Support Order</i>
Section 15 Self-Support Reserve Test	Section II(M) <i>Self-Support Reserve Test</i>
Section 16 Multiple Children, Divided Custody	Section IV(B) <i>Multiple Children, Divided Custody</i>
Section 17 Child Support Assigned to the State	Section IV(E) <i>Support Assigned to the State</i>
Section 18 Travel Expenses Associated with Parenting Time	Section III(F) <i>Travel Expenses</i>
Section 19 Gifts in Lieu of Money	Section III(C) <i>Gifts in Lieu of Money</i>
Section 20 Deviations	Section IV(A) <i>Deviation</i>
20(A)1	IV(A)(1)(a)
20(A)2	IV(A)(1)(b)
20(A)3	IV(A)(1)(c)
20(A)4	IV(A)(1)(c)
20(A)5	IV(A)(1)(c)
20(B)	IV(A)(2)
20(B)1	IV(A)(2)(a)
20(B)2	IV(A)(2)(b)
20(B)3	IV(A)(2)(c)

CORRELATION TABLE FOR 2011/INCORPORATED GUIDELINES	
2011 GUIDELINE SECTION	INCORPORATED GUIDELINE SECTION
20(B)4	IV(A)(2)(d)
Section 21 Third-Party Care Givers	Section IV(D) <i>Third-Party Caregivers</i>
Section 22 Court's Findings	Section III(A) <i>Court's Findings</i>
Section 23 Exchange of Information	Section III(B) <i>Exchange of Information</i>
Section 24 Modification	Section V(C) <i>Modification</i>
24(A)	V(C)(1)
24(B)	V(B)(2)
Section 25 Effect of Cessation of Child Support for One Child	Section V(B) <i>Effect of Emancipation</i>
Section 26 Income and Benefits Received by or on Behalf of a Child	Section IV(F) <i>Income of a Child</i>
26(A)	IV(F)(1)
26(B)	IV(F)(2)
26(B)1	IV(F)(2)(a)
26(B)2	IV(F)(2)(b)
26(B)3	IV(F)(2)(c)
26(C)	IV(F)(3)
Section 27 Federal Tax Exemption for Dependent Children	Section III(D) <i>Federal and State Tax Exemption for Dependent Children</i>
Section 28 Child Support Arrears	Section IV(G) <i>Arrears</i>
28(A)	IV (G)(1) and (3)
28(B)	IV(G)(2)
29(A)	I(C)
29(B)	V(C)(2)

LEGISLATIVE CHILD SUPPORT COMMITTEE

Statute Review Workgroup Strategic Planning – 2011

GOALS FOR 2011:

1. ARS § 23-722.01 Employer or payor reporting; exceptions
 - **PROPOSED LANGUAGE TO CSC: APPROVED BY CSC 9-9-11, to Leg. Council**
2. ARS § 25-505.01 Administrative income withholding order; notice; definition
 - **PROPOSED LANGUAGE TO CSC: APPROVED BY CSC 9-9-11, to Leg. Council**
3. Possibly review different child support guidelines models with CSC
 - **START REVIEWING RED-LINE MATRIX ON 10-18-11**
4. **FROM THE CSC 9-9-11:** Review enhanced version of income shares model guidelines
 - **FIRST DRAFT TO CSC: APPROVED BY CSC 9-9-11, SEND TO SRWG**
5. **FROM THE CSC 9-9-11:** Federal IWO form: SRWG to review implementation of IWO form to conform to uniform form being presented by federal government. **APPROVED BY CSC 9-9-11 SEND TO SRWG TO REVIEW**
6. Recapture of overpayment of child support due to various reasons, not only due to change in custody. **CONSENSUS TO LEAVE STATUTE AS IS AND FOCUS ON JUDICIAL TRAINING- (06/14/11)** Downward modification overpayment – feedback from judiciary. Education issue Comm. Kupiszewski will speak with Judge Carey Hyatt
7. ARS § 25-505.02 Insurance information exchange
 - **PROPOSED LANGUAGE TO CSC: APPROVED BY CSC 9-9-11, to Leg. Council**

GOALS FOR 2012:

1. Update statutory language to replace “interstate” to “intergovernmental” (non-UIFSA) statutes
2. **FROM THE CSC 9-9-11:** SRWG to initiate discussion with regard to a simplified procedure with unreimbursed medical expenses as related to child support orders including notice issues, statutory scenes to accomplish such, and simplification of forms.

RED-LINED CHANGES TO THE ENHANCED GUIDELINES
FROM THE 2011 GUIDELINES
REVISED – October 7, 2011

LEGEND

Black font – Current guidelines language.
Gray font – Indicates language was moved to another section.
~~Strike thru~~ – Language stricken.

Red font – Proposed language change to guidelines.
Underlined in black font – Language that was moved from another section.
Gray shading – Highlighting example.

	Section	Page	Proposed Language	Comments
1	N/A	N/A	<p>BACKGROUND: The Arizona Child Support Guidelines follow the Income Shares Model. The model was developed by the Child Support Guidelines Project of the National Center for State Courts. The total child support amount approximates the amount that would have been spent on the children if the parents and children were living together. Each parent contributes his/her proportionate share of the total child support amount.</p> <p>Information regarding development of the guidelines, including economic data and assumptions upon which the Schedule of Basic Support Obligations is based, is contained in the April 14, 2009 report of Center for Policy Research, entitled Basis of an Updated Child Support Schedule for Arizona.</p>	Stricken in its entirety.

	Section	Page	Proposed Language	Comments
2	SECTION I. General Information			
3	I(A) Purposes	1	A. PURPOSES	
4	I(A)(1)	1	A. 1. To establish a standard of support for children consistent with the reasonable needs of children and the ability of parents to pay.	
5	I(2)	1	B. 2. To make child support orders consistent for persons in similar circumstances.	
6	I(3)	1	C. 3. To give parents and courts guidance in establishing child support orders and to promote settlements.	
7	I(4)	1	D. 4. To comply with state law (Arizona Revised Statutes, Section 25-320) and federal law (42 United States Code, Section 651 et seq., 45 Code of Federal Regulations, Section 302.56) and any amendments, thereto if any.	
8	I(B) Premises		B. PREMISES	
9	I(B)(1)	1	A. 1. These guidelines apply to all natural children, whether born in or out of wedlock, and to all adopted children their parents.	
10	I(B)(2)	1	B. 2. The Because child support obligation has priority over all other financial obligations, the existence of non-support-related financial obligations is generally not a reason for deviating from the guidelines. provides no reason for deviating from the guidelines. The guidelines themselves explain how to take account of other legal support obligations in calculating the support required for the children to whom they are being applied.	

11	I(B)(3)	1	<p>C. 3. The fact that a custodial parent who receives child support does not mean that he or she may not also be entitled to spousal maintenance.</p> <p>If the court is establishing both child support and spousal maintenance, the court shall determine the appropriate amount of spousal maintenance first.</p> <p>The receipt or payment of spousal maintenance shall be treated in accordance with sections 5.A and 6.A. The addition to or adjustment from gross income under these sections shall apply for the duration of the spousal maintenance award.</p>	Moved to Section I B(4).
12	I(B)(4)	1	<p>If the A court is establishing both child support and spousal maintenance, the court shall first determine the appropriate amount of spousal maintenance first, and then follow the provisions of these guidelines in taking spousal maintenance into account in setting the amount of child support.</p> <p>The receipt or payment of spousal maintenance shall be treated in accordance with sections 5.A and 6.A. The addition to or adjustment from gross income under these sections shall apply for the duration of the spousal maintenance award.</p>	
13	I(B)(5)	1	<p>D. 5. Support provided to other persons for whom the parent has no A parent's legal duty is to of support, his or her natural or adopted children. The "support" of other persons such as the parent's -stepchildren or parents, provides is deemed voluntary and is not a reason for an adjustment in no basis adjusting the amount of child support due determined under the these guidelines.</p>	
14	I(B)(6)	1	<p>E. 6. In appropriate cases, a custodial parent may be ordered to pay child support.</p>	

15	I(B)(7)	1	<p>F. 7. Monthly figures are used to calculate the child support obligation. Any adjustments to the child support amount shall be annualized so that each month's child support obligation is increased or decreased in an equal amount, instead of the obligation for particular months being abated, increased or decreased. <u>The Schedule of Basic Child Support Obligations child support calculation is based on net adjusted gross income, as defined in these guidelines, and converted to gross income for ease of application. The impact of income taxes has been considered in the Schedule (Federal Tax including Earned Income Tax Credit, Arizona State Tax, and FICA).</u></p>	<p>Moved language to Section I(B)(8). Replaced language was originally in paragraph 5.H.</p>
16	I(B)(8)	1	<p>G. 8. Any adjustments to the Child support amount shall be annualized so that each month's child support obligation is increased or decreased in an is set in equal monthly amount, amounts. instead of the obligation for particular months being abated, increased or decreased. Therefore, monthly figures are used to calculate the child support obligation. Average monthly figures should be used when income or expense amounts fluctuate over the course of a year.</p>	
17	Example		<p>EXAMPLE OF FLUCTUATING EXPENSES: At a child support hearing in a paternity action a custodial parent requests an adjustment for childcare costs (Section 9.B.1. II(G)(3)) The parent incurs childcare costs of \$150 per month but only for nine months of the year. The adjustment for childcare costs must be annualized as follows: Multiply the \$150 monthly cost times the nine months that the cost is actually paid each year, for an annual total of \$1,350. Divide this total by 12 months to arrive at an annualized monthly adjustment of</p>	

			\$113 that may be added to the Basic Child Support Obligation when determining the child support order.	
18	I(B)(9)	1	§. 9. When determining the Basic Child Support Obligation basic child support obligation under Section 8, II(F) , the amount derived from the Schedule of Basic Child Support Obligations shall not be less than the amount indicated on the Schedule:	
19	I(B)(9)(a)	1	1. a. For six children where there are more than six children.	
20	I(B)(9)(b)	1	2. b. For the Combined Adjusted Gross Income combined adjusted gross income of \$20,000 where the actual Combined Adjusted Gross Income combined adjusted gross income of the parents is greater than \$20,000.	
21	I(C) Presumption and Application		C. PRESUMPTION AND APPLICATION	
22	I(C)	2	In any These guidelines apply to all actions to establish or modify child custody, and in any action to establish involving establishment of child support, or past child support, or to modify modification of child support. The court shall order the amount under these guidelines absent a deviation pursuant to Section IV(A). A. <u>Except for defaults or as otherwise agreed upon by the parties, all child support orders entered after May 31, 2011, shall be made pursuant to these guidelines, whether they be original orders or modifications of pre-existing orders, temporary or permanent, local or interstate, the amount resulting from application of these guidelines shall be the amount of child support ordered. These include, without limitation, all actions or proceedings brought under Title 25 of the Arizona Revised Statutes (including maternity and</u>	Moved from paragraph 29.A.

			<p>paternity) and juvenile court actions in which a child support order is established or modified. However, if application of the guidelines would be inappropriate or unjust in a particular case, the court shall deviate from the guidelines in accordance with Section 20, unless the court determines otherwise based on good cause shown. In cases of default, the guidelines in effect at the time of filing the action will be used. The parties may agree to use either the guidelines in effect at the time of filing the action or those in effect at the time the order is entered.</p> <p><u>B. A substantial variance between an existing child support order and an amount resulting from application of the new guidelines may be considered evidence of a substantial and continuing change of circumstances for purposes of a modification. A variance of at least 15% would be evidence of a substantial and continuing change of circumstances.</u></p>	Moved from paragraph 29.A.
23	I(B) Basis of Guidelines	2	<p>4. DURATION OF CHILD SUPPORT</p> <p>Duration of child support is governed by Arizona Revised Statutes, Sections 25-320 and 25-501, except as provided in Arizona Revised Statutes, Section 25-1304.</p> <p>Upon entry of an initial or modified child support order, the court shall, or in any subsequent action relating to the child support order, the court may, establish a presumptive date for the termination of the current child support obligation. The presumptive termination date shall be the last day of the month of the 18th birthday of the youngest child included in the order unless the court finds that it is projected that the youngest child will not complete high school by age 18. In that event, the presumptive</p>	Moved to Section V(A)

		<p>termination date shall be the last day of the month of the anticipated graduation date or age 19, whichever occurs first. The administrative income withholding order issued by the department or its agent in Title IV-D cases and an Order of Assignment issued by the court shall include the presumptive termination date. The presumptive date may be modified upon changed circumstances.</p> <p>An employer or other payor of funds honoring an Order of Assignment or an administrative income withholding order that includes the presumptive termination date and is for current child support only, shall discontinue withholding monies after the last pay period of the month of the presumptive termination date. If the Order of Assignment or administrative income withholding order includes current child support and arrearage payment, the employer or other payor of funds shall continue withholding the entire amount listed on the Order of Assignment or administrative income withholding order until further order.</p> <p>For purposes of determining the presumptive termination date, it is further presumed:</p> <p>A. That a child not yet in school will enter 1st grade if the child reaches age 6 on or before September 1 of the year in which the child reaches age 6; otherwise, it is presumed that the child will enter 1st grade the following year; and,</p> <p>B. That a child will graduate in the month of May after completing the 12th grade.</p> <p>The Arizona Child Support Guidelines are based on the</p>	<p>New language is based on “Background” sentence that states: “The total child support amount</p>
--	--	---	--

			financial resources and needs of the child and of each parent, the standard of living the child would have enjoyed in a two-parent household, and the allocation of parenting time, as contemplated by A.R.S. Section 25-320(D).	approximates the amount that would have been spent on the children if the parents and children were living together.”
24	I(E) Definitions	2	These definitions are for the purpose of these guidelines only.	
25		2	Adjusted Gross Income: Adjusted gross income is gross income minus the adjustments provided in Section II(D) of these guidelines. This amount may differ from adjusted gross income for tax purposes.	
26		2	Alternate Deduction: If a parent provides support for a child that is not the subject of this action and for which there is no court order for support, the parent may include this monthly support amount in the child support calculation; however, the alternate deduction may not exceed the standard deduction that is automatically calculated.	
27		3	Annualize Paid Amounts: Monthly figures are used to calculate the child support obligation. Any adjustments to the child support amount shall be annualized so that each month’s child support obligation is increased or decreased in an equal amount, instead of the obligation for particular months being abated, increased, or decreased. Example found in Childcare Costs Section II(G)(3).	
28		3	Arrears: The total unpaid support obligation owed by a person under a court order to pay support.	
29		3	ATLAS Number: An ATLAS number is the “Arizona Tracking and Location Automated System” number given to child support cases. This is the account number for support payments at the Support Payment Clearinghouse. The ATLAS case number begins with numbers rather than letters.	

30		3	Basic Child Support Obligation: The amount found in the Schedule of Basic Support Obligations. This amount is based on the parents' combined adjusted gross income and number of children. The Basic Child Support Obligation Schedule is part of these guidelines.	
31		3	Calculator: The child support calculator located on the Arizona Judicial Branch website is accessible at: http://www.azcourts.gov/familylaw/2011ChildSupportCalculator.aspx	
32		3	Children of Other Relationships: Means natural or adopted children who are not the subject of this particular child support determination.	
33		3	Custodial Parent: The parent with greater parenting time, unless the parents share equal parenting time.	
34		3	Deviation from the Application of the Guidelines: The court may order support that deviates from the guidelines after considering all relevant factors, including those set forth in A.R.S. Section 25-320(D) and applicable case law, if certain criteria are met. See Section IV(A).	
35		3	Equal Parenting Time: A parenting time arrangement that allows both parents to spend essentially equal time each year with the child or children.	
36		3	Extra Education Expenses: Extra education expenses refer to any reasonable and necessary expenses for attending private or special schools or necessary expenses to meet particular educational needs of a child, when such expenses are incurred by agreement of both parties or ordered by the court.	
37		3	Extraordinary Child Expenses: Extraordinary expenses are associated with the special needs of a child, when such	

			expenses are incurred by agreement of both parties or ordered by the court.	
38		3	Gross Income: Gross income includes income from any source as outlined in Section II(B).	
39		3	Guideline Support Amount: The guideline support amount is the amount resulting from the application of these guidelines, unless a written finding is made that application of the guidelines would be inappropriate or unjust in a particular case.	
40		4	Noncustodial Parent: The parent with less parenting time, unless the parents share equal parenting time.	
41		4	Obligee: The person who is to receive child support payments.	
42		4	Obligor: The person who owes a child support obligation.	
43		4	Parenting Time: The number of days per year that a parent has physical custody of the child, as calculated in Section II(J).	
44		4	Parenting Time Adjustment: An adjustment to the preliminary support amount to reflect parenting time as calculated under Section II(J).	
45		4	Parent’s Worksheet for Child Support Amount: The worksheet is a printable version of the entries and amounts from the child support calculator. (Also referred to as the “worksheet.”)	
46		4	Preliminary Child Support Obligation: The total child support obligation adjusted for parenting time.	
47		4	Presumptive Termination Date: Upon entry of an initial or modified child support order, the court shall, or in any subsequent action relating to the child support order, the court may, establish a presumptive termination date (PTD)	

			for the termination of current child support obligation. The presumptive termination date is the last day of the month of the 18 th birthday of the youngest child included in the order, unless the court finds that it is projected that the youngest child will not complete high school by age 18. In that event, the presumptive termination date is the last day of the month of the anticipated graduation date or age 19, whichever occurs first.
48		4	Simplified Application of the Guidelines: The simplified application of the guidelines is the amount located in the schedule based on the gross monthly income of the parent claiming this adjustment and number of children subject to this adjustment.
49		4	Standard Deduction: The standard deduction is the amount that is automatically calculated (based on a simplified application of the guidelines) and inserted into the calculator. This amount may not be exceeded by an alternate deduction for support provided to other natural or adopted children who are not subject of a court order.
50		4	Title IV-D Matter: (Pronounced “four-D”). Title IV-D of the Social Security Act is that portion of the federal law covering the child support enforcement program. The Division of Child Support Enforcement (DCSE) is the agency providing the child support enforcement program in Arizona.
51		4	Total Child Support Obligation: The total child support obligation is the amount of the basic child support obligation plus the amount of the adjustments for older children, health insurance, extra education expenses, and extraordinary expenses.

	Section	Page	Proposed Language	Comments
52	Section II. Determining the Guideline Support Amount	5		
53	II(A) Income	5	<p>DETERMINATION OF THE GROSS INCOME OF THE PARENTS</p> <p>Basic Principles for Determining the Parental Income Considered in the Guidelines</p> <p>NOTE: Terms such as "Gross Income" and "Adjusted Gross Income" as used in these guidelines do not have the same meaning as when they are used for tax purposes.</p> <p>1. The child support amount is based on the adjusted gross incomes of the child's parents, calculated according to the principles set forth in this section. Only income of persons having a legal duty of support shall be treated as income under the guidelines. For example, The income of a parent's new spouse is not treated counted or included as income of that the child's parent.</p> <p>2. Each parent's gross income and adjusted gross income is determined as set forth in this section.</p>	
54	II(B) Inclusions to Gross Income of the Parties	5	<p>A.1. Gross income includes income from any source, and may include, but is not limited to, income from salaries, wages, commissions, bonuses, dividends, severance pay, pensions, interest, trust income, annuities, capital gains, social security Social Security benefits (subject to Section 26 IV(F)), received directly by either parent and not on behalf of a child, worker's compensation benefits, unemployment insurance benefits, disability insurance benefits, recurring gifts, and prizes, and spousal maintenance. Cash value shall be assigned to in-kind or other non-cash benefits. Seasonal or fluctuating income</p>	Moved language to a separate paragraph in Section

			<p>shall be annualized averaged. Income from any source which that is not continuing or recurring in nature need not necessarily be deemed included as gross income for child support purposes. Generally, the court should not attribute income greater than what would have been earned from full-time employment. Each parent should have the choice of working additional hours through overtime or at a second job without increasing the child support award. The court may, however, consider income actually earned that is greater than would have been earned by <u>full-time</u> employment if that income was historically earned from a regular schedule and is anticipated to continue into the future.</p> <p>The court should generally not attribute additional income to a parent if that would require an extraordinary work regimen. Determination of what constitutes a reasonable work regimen depends upon all relevant circumstances including the choice of jobs available within a particular occupation, working hours and working conditions.</p>	<p>II(B)(2)</p> <p>Moved language to a separate paragraph in Section IIB(2)</p>
55	II(B)(2)	5	<p>B. Gross income does not include sums received as child support or benefits received from means-tested public assistance programs including, but not limited to, Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), Food Stamps and General Assistance.</p> <p>2. <u>Cash value may be assigned to in-kind or other non-cash benefits</u> or to recurring contributions from any sources that reduce living expenses. For example, while the court may not consider the income of a new spouse, the court may consider the extent to which contributions from a new spouse, or others, reduce expenses and, if the court finds that</p>	<p>Moved language to a Section II(C)(1)</p> <p>This language is based in part on current paragraph 5.F regarding parent's new spouse income.</p>

			regular or substantial contributions from a new spouse, or others, reduce living expenses, the court may determine the value of the reduced expenses and add that amount to the income of that party.
56	II(B)(3)	5	C.3. 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 reasonable expenses required to produce income. Ordinary and necessary expenses do not include amounts determined by the court to be inappropriate for determining gross income for purposes of child support. Ordinary and necessary reasonable expenses include one-half of the self-employment tax actually paid.
57	II(B)(4)	5	D.4. Expense reimbursements or benefits received by a parent in the course of employment or self-employment or operation of a business shall be counted included in gross as income if they are significant and reduce personal living expenses.
58	II(B)(5)	5-6	E.5. 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, the court may attribute income to a parent up to his or her earning capacity. If the reduction in income is voluntary but reasonable, the court shall balance that parent's decision and the benefits therefrom against the impact the reduction in that of that parent's share of child support has on the children's best interest decisions against the financial detriment, if any, to the child. In accordance with Arizona Revised Statutes Section 25-320, income of at least If

		<p>there is no available income information, the court shall presume that each parent is capable of earning at least minimum wage and shall be attributed to that amount to the a parent ordered to pay child support. If income is attributed to the parent receiving child support, appropriate childcare expenses may also be attributed. However, The the court may decline to attribute income to either parent. Examples of cases in which it may be inappropriate to attribute income include, but are not limited to, the following circumstances:</p> <ul style="list-style-type: none"> 1.a. A parent is physically or mentally disabled, 2.b. A parent is engaged in reasonable career or occupational training to establish basic skills or reasonably calculated to enhance earning capacity, 3.c. Unusual emotional Emotional or physical needs of a natural or adopted child require that parent's presence in the home, or. 4.d. The parent is a current recipient of Temporary Assistance to Needy Families.— A parent is incarcerated. e. Any other factors beyond the parent's current control that suggest the parent's earning history is not a good indication of that parent's current ability to earn income. <p>If income is attributed to the parent receiving child support, appropriate childcare expenses may also be attributed. The court may reduce the amount of income attributed to a parent by the reasonable childcare costs that would be necessary to earn that income.</p>	<p>Moved to end of this section.</p>
59	6	<p>F. Only income of persons having a legal duty of support shall be treated as income under the guidelines. For example, income of a parent's new spouse is not treated as income of</p>	<p>Second sentence moved to Section II(A).</p>

			that parent.	
60			G. The court shall not take into account the impact of the disposition of marital property except as provided in Arizona Revised Statutes Section 25-320.D.7 ("...excessive or abnormal expenditures, destruction, concealment or fraudulent disposition of community, joint tenancy and other property held in common.") or to the extent that such property generates income to a parent.	Paragraph moved to Section IV(B)(3) under <i>Examples for Deviation</i> .
61		1	H. The Schedule of Basic Child Support Obligations is based on net income and converted to gross income for ease of application. The impact of income taxes has been considered in the Schedule (Federal Tax including Earned Income Tax Credit, Arizona State Tax, and FICA).	Section moved to Section IB(7).
62	II(C) Exclusions from Gross Income	6	ADJUSTMENTS TO GROSS INCOME EXCLUSIONS FROM GROSS INCOME	
63	II(C)(1)	6	A.1. Gross income does not include sums received as child support or benefits received from means-tested public assistance programs including, but not limited to, Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), Food Stamps (now known as Nutrition Assistance), and General Assistance.	Language replaced from original paragraph 5.B.
64	II(C)(2)	6	2. Gross income does not include benefits received on behalf of a child.	
65	II(C)(3)	6	3. Generally, the court should not attribute income greater than what would have been earned from full-time employment. Each parent should have the choice of working additional hours through overtime or at a second job without increasing affecting the child support award. Generally, the The court may, however, consider should not include income actually earned that is greater than what would have been	Language replaced from original paragraph 5.A.

			<p>earned by full-time employment if that income was historically earned from a regular schedule and is anticipated to continue into the future. The court should generally not attribute <u>include</u> additional income to a parent if <u>earning that additional income</u> would require an extraordinary work regimen. Determination of what constitutes an <u>reasonable extraordinary work regimen</u> depends upon all relevant circumstances, including the choice of jobs available within a particular occupation, working hours and working conditions.</p>	
66	II(D) Adjustments to Income	6-7	<p>For purposes of this section, "children of other relationships" means natural or adopted children who are not the subject of this particular child support determination. Adjustments to gross income for other support obligations are made as follows:</p> <p>A. 1. The court-ordered amount of spousal maintenance resulting from this or any other marriage, if actually being paid, shall be <u>deducted</u> from the gross income of the parent paying spousal maintenance. <u>The court-ordered amount of spousal maintenance resulting from this or any other marriage, if actually being paid, shall be added to the gross income of the parent receiving spousal maintenance.</u> Court-ordered arrearage payments shall not be included as an adjustment to gross income.</p> <p>B. 2. The court-ordered amount of child support for children of other relationships, if actually being paid, shall be deducted from the gross income of the parent paying that child support. Court-ordered arrearage payments shall not be included as an adjustment to gross income. <u>An amount shall be deducted from the gross income of a parent for children of other relationships covered by a court order for whom they</u></p>	<p>Language in Section II(D)(2) and (3) are reversed in the original paragraphs 6.B and 6.C. to remain consistent with the child support calculator/worksheet.</p>

			<p><u>are he or she is</u> the custodial parent. The amount of the <u>adjustment shall be determined by a simplified application of the guidelines (defined in example below).</u></p> <p>C.3. An amount shall be deducted from the gross income of a parent for children of other relationships covered by a court order for whom they are the custodial parent. The amount of the adjustment shall be determined by a simplified application of the guidelines (defined in example below). <u>The court-ordered amount of child support for children of other relationships, if actually being paid, shall be deducted from the gross income of the parent paying that child support. Court-ordered arrearage payments shall not be included as an adjustment to gross income.</u></p> <p>D. 4. An amount may be deducted from the gross income of a parent for support of natural or adopted children of other relationships not covered by a court order. The amount of any adjustment shall not exceed the amount arrived at by a simplified application of the guidelines (defined in example below).</p>
67	Example:	7	<p>SIMPLIFIED APPLICATION OF THE GUIDELINES EXAMPLE: A parent having gross monthly income of \$2,000 supports a natural or adopted minor child who is not the subject of the child support case before the court and for whom no child support order exists. To use the Simplified Application of the Guidelines simplified application of the guidelines, locate \$2,000 in the Combined Adjusted Gross Income combined adjusted gross income column of the Schedule schedule. Select the amount in the column for one child, \$418. The parent's income may be reduced up to \$418, resulting in an Adjusted Gross Income adjusted gross income of \$1,582.</p>

68	II(E) Adjusted Monthly Gross Income	7	<p>7. DETERMINING THE ADJUSTED GROSS INCOME OF THE PARENTS</p> <p>Adjusted Gross Income gross income is gross income minus the adjustments provided in Section 6— II(D) of these guidelines. The Adjusted Gross Income adjusted gross income for each parent shall be established. These amounts shall be added together. The sum is the Combined Adjusted Gross Income combined adjusted gross income.</p>	
69	II(F) Determining the Basic Child Support Obligation	7	<p>DETERMINING THE BASIC CHILD SUPPORT OBLIGATION</p> <p>Locate the income closest to the parents' Combined Adjusted Income combined adjusted income figure on the Schedule of Basic Child Support Obligations and select the column for the number of children involved. This number is the Basic Child Support Obligation basic child support obligation. If the parents' income falls exactly in between two combined adjusted gross income amounts, round up to the nearest combined adjusted income entry on the schedule of basic child support obligations.</p>	
70	Example	7	<p>EXAMPLE: The combined adjusted gross income of the parents' is \$8,125 which is exactly between \$8,100 and \$8,150. Round up to the nearest combined adjusted income entry of \$8,150 and use this amount as the basic child support obligation.</p>	
71		7	<p>If there are more than six children, the amount derived from the schedule of basic support obligations for six children shall be the presumptive amount. The party seeking a greater sum shall bear the burden of proof that the needs of the children require a greater sum.</p>	
72		8	<p>If the combined adjusted gross income of the parties is greater than \$20,000 per month, the amount set forth for</p>	

			combined adjusted gross income of \$20,000 shall be the presumptive Basic Child Support Obligation basic child support obligation . The party seeking a sum greater than this presumptive amount shall bear the burden of proof to establish that a higher amount is in the best interests of the children, taking into account such factors as the standard of living the children would have enjoyed if the parents and children were living together, the needs of the children in excess of the presumptive amount, consideration of any significant disparity in the respective percentages of gross income for each party, and any other factors which, that demonstrate , on a case-by-case basis, demonstrate that the increased amount is appropriate.
73	II(G) (1) Adjustments to the Basic Child Support Amount	8	ADJUSTMENTS TO THE BASIC DETERMINING THE TOTAL CHILD SUPPORT OBLIGATION To determine the Total Child Support Obligation, the court: 4- <u>1. Older Child Adjustment</u> The court may add to the basic child support obligation an amount for an older child adjustment. <u>The average expenditures for children age 12 or older exceed the average expenditures for all children by approximately 10%. Therefore, the court may increase child support for a child who has reached the age of 12 years by an amount up to 10% of the child support shown on the Schedule schedule. If the court chooses to make an adjustment, the following method of calculation shall be used.</u>
74	Example	8	ADJUSTMENT FOR AN OLDER CHILD EXAMPLE: The <u>Basic Child Support Obligation</u> basic child support obligation for one child, age 12, is \$400. <u>As much as \$40 may be added to the Basic Child Support Obligation basic child support obligation,</u>

			<p>for a total of \$440. If not all children subject to the order are age 12 or over, the increase will be prorated as follows: assume the Basic Child Support Obligation basic child support obligation for three children is \$687. If one of the three children is age 12 or over, assign 1/3 of the Basic Child Support Obligation basic child support obligation to the older child (\$229). Up to 10% (\$23) of that portion of the basic child support obligation may be added as an older child adjustment, increasing the obligation to \$710. NOTE: This prorating method is limited to this section and should not be followed in Section 25-V(B).</p>
75	II(G)(2) Medical, Dental, and Vision Insurance Adjustment	8	<p>2. Medical, Dental, and Vision Insurance Adjustment A. State law requires orders for child support to assign responsibility for providing medical insurance for the children who are the subject of the child support order. (A.R.S. Sections 25-320, 25-500 and 25-529.) The court shall shall add to adjust the Basic Child Support Obligation basic child support obligation to reflect the cost of the children's medical, dental, and or vision insurance coverage, if any. (this This provision does not imply any obligation of either parent to provide dental or vision insurance). In determining the amount to be added, only the amount of the insurance cost attributable to the children who are the subject of the child support order shall be included. If coverage is applicable to other persons, the total cost shall be prorated by the number of persons covered. The court may decline to credit a parent for medical, dental, and or vision insurance coverage obtained for the children if the coverage is not valid in the geographic region where the children reside. The court shall not adjust the basic child support obligation for cash medical</p>

		<p>support pursuant to A.R.S. Section 25-320(K) or (L).</p> <p>An order for child support shall assign responsibility for providing medical insurance for the children who are the subject of the child support order. If medical insurance of comparable benefits and cost is available to both parents, the court should assign the responsibility to the parent having primary physical custody.</p> <p>The court shall also specify the percentage that each parent shall pay for any medical, dental and/or vision costs of the children which are not covered by insurance. For purposes of this paragraph, non-covered "medical" means medically necessary medical, dental and/or vision care as defined by Internal Revenue Service Publication 502.</p> <p>Except for good cause shown, any request for payment or reimbursement of uninsured medical, dental and/or vision costs must be provided to the other parent within 180 days after the date the services occur. The parent responsible for payment or reimbursement must pay his or her share, as ordered by the court, or make acceptable payment arrangements with the provider or person entitled to reimbursement within 45 days after receipt of the request.</p> <p>Both parents should use their best efforts to obtain services that are covered by the insurance. A parent who is entitled to receive reimbursement from the other parent for medical costs not covered by insurance shall, upon request of the other parent, provide receipts or other evidence of payments actually made.</p>	<p>Sections moved to Section III(E) <i>Unreimbursed Medical Expenses</i></p>
--	--	---	--

76	Example	9	<p>ADJUSTMENT FOR HEALTH INSURANCE EXAMPLE: Through an employment-related insurance plan, a parent Mother provides medical insurance that covers the parent Mother, one child who is the subject of the child support case, and two other children. Under the plan, the cost of an employee's individual insurance coverage would be \$50. This parent instead pays a total of \$170 for the "family option." that provides coverage for the employee and any number of dependents. Calculate the adjustment for medical insurance as follows: Subtract the \$50 cost of individual coverage from the \$170 paid for the "family option" to find the cost of dependent coverage, which is \$120. Divide The the \$120 remainder then is divided by three, the number of covered dependents covered. The resulting \$40 is added to the Basic Child Support Obligation as the cost attributable to the child who is the subject of the case is \$40. of medical insurance coverage for the one child.</p>	
77	II(G)(3) Childcare Costs	9	<p>1.3 Childcare Costs</p> <p>B.——The court <u>May</u> <u>may</u> add to the Basic Child Support Obligation basic child support obligation amounts for any of the following:</p> <p>Childcare childcare expenses that would be appropriate to the parents' financial abilities. Expenses for childcare shall be annualized in accordance with Section 2.F.</p> <p>If the court finds the amount of child support is sufficient to provide for childcare costs, the court may decline to include all or part of the childcare expense.</p> <p><u>Expenses for childcare shall be annualized in accordance with</u></p>	Sentence moved down to the third paragraph.

Section 2.F.-(B)(8).

A custodial parent paying for childcare may be eligible for a credit from federal tax liability for childcare costs for dependent children. The custodial parent is the parent who has physical custody of the children for the greater part of the year. In an equal physical custody situation, neither parent shall be entitled to the credit for purposes of calculating child support. Before adding childcare costs to the ~~Basic Child Support Obligation~~, **basic child support obligation**, the court may adjust this cost in order to apportion the benefit that the dependent tax credit will have to the parent incurring the childcare costs.

At lower income levels, the head of household does not incur sufficient tax liability to benefit from the federal childcare tax credit. No adjustment should be made where the income of the custodial parent is less than indicated on the following chart:

MONTHLY GROSS INCOME OF THE CUSTODIAL PARENT	
ONE CHILD	\$2,100
TWO CHILDREN	\$2,600
THREE CHILDREN	\$2,700
FOUR CHILDREN	\$2,800
FIVE CHILDREN	\$3,050
SIX CHILDREN	\$3,300

78			<p>If the custodial parent’s income is greater than indicated on the above chart, the court may adjust this cost for the federal childcare tax credit if the credit is actually claimed or will be claimed.</p> <p>For one child with monthly childcare costs exceeding \$200, deduct \$50 from the monthly childcare amount. For two or more children with total monthly childcare costs exceeding \$400, deduct \$100 from the monthly childcare amount. See Example One 1.</p> <p>For one child with monthly childcare costs of \$200 or less, deduct 25% from the monthly childcare amount. For two or more children with total monthly childcare costs of \$400 or less, deduct 25% from the monthly childcare amount. See Example Two 2.</p> <p>Any adjustment for the payment of childcare costs with pre-tax dollars shall be calculated in a similar manner. A percentage adjustment other than twenty-five 25% percent may be utilized if proven by the parent paying the childcare costs.</p>
79	Example	10	<p>CHILDCARE COSTS EXAMPLE 1: For two children, a parent pays monthly childcare costs of \$550 for nine months of the year. To adjust for the expected tax credit benefit, first determine whether the average cost of childcare exceeds \$400 per month. In this example, because the average cost of \$413 (\$550 multiplied by 9 months, divided by 12 months) exceeds the \$400 maximum for two or more children, \$100 per month may be subtracted from the average monthly cost.</p>

			For adjusted childcare costs, \$313 (\$413 - \$100) may be added to the basic child support obligation.	
80	Example	10	CHILDCARE COSTS EXAMPLE 2: A parent pays monthly childcare costs of \$175 for one child. Because this amount is less than the \$200 maximum for one child, multiply \$175 by 25% (\$175 multiplied by 25% = \$44). Subtract the adjustment from the monthly average (\$175 - \$44 = \$131). The adjusted amount of \$131 may be added to the basic child support obligation.	
81	II(G)(4) Education Expenses	10	2- 4. Education Expenses The court may adjust for any any reasonable and necessary expenses appropriate to the parents' financial abilities for a child's attendance at a for attending private or special schools or necessary expenses to meet particular educational needs of a child, when such expenses are incurred by agreement of both parents or ordered by the court.	
82	II(G)(5) Extraordinary Child	11	3- 5. Extraordinary Child These guidelines are designed to fit the needs of most children. The court may increase the Basic Child Support Obligation to provide for the special needs of gifted or handicapped children.	
83			4. Older Child Adjustment The average expenditures for children age 12 or older exceed the average expenditures for all children by approximately 10%. Therefore, the court may increase child support for a child who has reached the age of 12 years by an amount up to 10% of the child support shown on the Schedule. If the court chooses to make an adjustment, the following method of calculation shall be used.	Section moved to Section II(G)(1)

			<p>EXAMPLE: The Basic Child Support Obligation for one child, age 12, is \$400. As much as \$40 may be added to the basic child support obligation, for a total of \$440. If not all children subject to the order are age 12 or over, the increase will be prorated as follows: assume the Basic Child Support Obligation for three children is \$687. If one of the three children is age 12 or over, assign 1/3 of the Basic Child Support Obligation to the older child (\$229). Up to 10%_(\$23) of that portion of the Basic Child Support Obligation may be added as an older child adjustment, increasing the obligation to \$710. NOTE: This prorating method is limited to this section and should not be followed in Section 25.</p>	
84			<p>10. DETERMINING EACH PARENT'S PROPORTIONATE SHARE OF THE TOTAL CHILD SUPPORT OBLIGATION</p> <p>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 the Combined Adjusted Gross Income by the Total Child Support Obligation.</p> <p>EXAMPLE: Combined Adjusted Gross Income is \$1,000. The father's Adjusted Gross Income is \$600. Divide the father's Adjusted Gross Income by the Combined Adjusted Income. The result is the father's share of the Combined Adjusted Gross Income. (\$600 divided by \$1,000 = 60%). The father's share is 60%; the mother's share is 40%.</p>	Paragraph moved to Section II(I)
85	Section II(H) Applying Adjustments	11	<p>13. ADJUSTMENTS FOR OTHER COSTS</p> <p>H. APPLYING ADJUSTMENTS</p> <p>If a parent pays for court-approved a costs <u>under Section 9.A. or 9.B. (except 9.B.4),</u> for health insurance, childcare costs,</p>	

			<p>educational expenses, and extraordinary expenses, deduct the cost from that parent's Proportionate Share proportionate share of income to arrive at the Preliminary Child Support Amount. Preliminary child support amount.</p>
86	Example	11	<p>APPLYING ADJUSTMENTS EXAMPLE: A noncustodial parent pays for medical health insurance through his or her an employer-provided plan. This cost is added to the Basic Child Support Obligation pursuant to Section 9.A, then prorated between the parents to arrive at each parent's proportionate child support obligation. Because the cost has already been paid to a third party (the insurance company), the cost must be deducted from the noncustodial parent's child support obligation because this portion of the child support obligation has already been paid.</p>
87	Section II(I) Determining Each Parent's Proportionate Share of the Total Child Support Obligation	11	<p>10.I. DETERMINING EACH PARENT'S PROPORTIONATE SHARE OF THE TOTAL CHILD SUPPORT OBLIGATION The Total Child Support Obligation total child support obligation shall be divided between the parents in proportion to their Adjusted Gross Incomes adjusted gross incomes. The obligation of each parent is computed by multiplying each parent's share of the Combined Adjusted Gross Income combined adjusted gross income by the Total Child Support Obligation. total child support obligation.</p>
88	Example	11	<p>EXAMPLE: Combined Adjusted Gross Income adjusted gross income is \$1,000. The father's Adjusted Gross Income adjusted gross income is \$600. Divide the father's Adjusted Gross Income adjusted gross income by the Combined Adjusted Income combined adjusted income. The result is the father's share of the Combined Adjusted Gross Income combined adjusted gross income. (\$600 divided by \$1,000 =</p>

			60%). The father's share is 60%; the mother's share is 40%.
89	Section II(J) Adjusting Support Amounts to Reflect the Parenting Time Allocation	11	<p>11. J. ADJUSTMENT FOR COSTS ASSOCIATED WITH ADJUSTING SUPPORT AMOUNTS TO REFLECT THE PARENTING-TIME-ALLOCATION</p> <p>Because the Schedule of Basic Child Support Obligations is based on expenditures for children in intact households, there is no consideration for costs associated with parenting time. When parenting time is exercised by the noncustodial parent, a portion of the costs for children normally expended by the custodial parent shifts to the noncustodial parent. Accordingly, unless it is apparent from the circumstances that the noncustodial parent will not incur costs for the children during parenting time, when proof establishes that parenting time is or is expected to be exercised by the noncustodial parent, an adjustment shall be made to that parent's proportionate share of the Total Child Support Obligation. Total child support obligation. To calculate child support in equal custody cases, see Section 12. II(K).</p> <p>For purposes of calculating parenting time days, only the time spent by a child with the noncustodial parent is considered. Time that the child is in school or childcare is not considered.</p> <p>To adjust for the costs of parenting time, first determine the total annual amount of parenting time indicated in a court order or parenting plan or by the expectation or historical practice of the parents. Using the following definitions, add together each block of parenting time to arrive at the total number of parenting time days per year. Calculate the</p>

			number of parenting time days arising from any block of time the child spends with the noncustodial parent in the following manner:
90	Section II(J)(1)	12	A. 1. Each block of time begins and ends when the noncustodial parent receives or returns the child from the custodial parent or from a third-party with whom the custodial parent left the child. Third-party includes, for example, a school or childcare provider.
91	Section II(J)(2)	12	B. 2. Count one day of parenting time for each 24 hours within any block of time.
92	Section II(J)(3)	12	C. 3. To the extent there is a period of less than 24 hours remaining in the block of time, after all 24-hour days are counted or for any block of time which is in total less than 24 hours in duration: 1. a. A period of 12 hours or more counts as one day. 2. b. A period of 6 to 11 hours counts as a half-day. 3. c. A period of 3 to 5 hours counts as a quarter-day. 4. d. Periods of less than 3 hours may count as a quarter-day if, during those hours, the noncustodial parent pays for routine expenses of the child, such as meals.
93	Example 1.	12	PARENTING TIME EXAMPLES-1. 1. Noncustodial parent receives the child at 9:00 p.m. on Thursday evening and brings the child to school at 8:00 a.m. on Monday morning, from which The custodial parent picks up the child at 3:00 p.m. on Monday. a. 9:00 p.m. Thursday to 9:00 p.m. Sunday is three days.

			<p>b. 9:00 p.m. Sunday to 8:00 a.m. Monday is 11 hours, which equals a half day.</p> <p>c. Total is 3 ½ days.</p>	
94	Example 2.	12	<p>PARENTING TIME EXAMPLE 2.</p> <p>2. Noncustodial parent picks the child up from school at 3:00 p.m. Friday and returns the child to school at 8:00 a.m. on Monday.</p> <p>a. 3:00 p.m. Friday to 3:00 p.m. Sunday is two days.</p> <p>b. 3:00 p.m. Sunday to 8:00 a.m. Monday is 17 hours, which equals one day.</p> <p>c. Total is 3 days.</p>	
95	Example 3.	13	<p>PARENTING TIME EXAMPLE 3.</p> <p>3. Noncustodial parent picks up child from soccer at noon on Saturday, and returns the child to custodial parent at 9:00 p.m. on Sunday.</p> <p>a. Noon Saturday to noon Sunday is one day.</p> <p>b. Noon Sunday to 9:00 p.m. Sunday is 9 hours, which equals ½ day.</p> <p>C. Total is 1 ½ days.</p>	
96		13	<p>After determining the total number of parenting time days, refer to "Parenting Time Table A" below. The left column of the table sets forth numbers of parenting time days in increasingly higher ranges. Adjacent to each range is an adjustment percentage. The parenting time adjustment is calculated as follows: locate the total number of parenting time days per year in the left column of "Parenting Time Table A" and select the adjustment percentage from the adjacent column. Multiply the Basic Child Support Obligation basic child support obligation determined under Section 8 II(F) by the appropriate adjustment percentage. The number</p>	

			resulting from this multiplication then is subtracted from the proportionate share of the Total Child Support Obligation total child support obligation of the parent who exercises parenting time.*																					
97		13	* For additional information regarding parenting plans, see “Planning for Parenting Time, Arizona’s Guide for Parents Living Apart” located online at: http://www.azcourts.gov/Portals/31/ParentingTime/PPWguidelines.pdf . This updated guide will help parents reach agreements about parenting time with their children. Judicial officers may also find the guide helpful in cases where the court must craft the parenting time plan. The guide book is also available in Spanish.																					
99	Parenting Time Table A	13	<table border="1"> <thead> <tr> <th colspan="2">PARENTING TIME TABLE A</th> </tr> <tr> <th>Number of Parenting Time Days</th> <th>Adjustment Percentage</th> </tr> </thead> <tbody> <tr> <td>0 - 3</td> <td>0</td> </tr> <tr> <td>4 - 20</td> <td>.012</td> </tr> <tr> <td>21 - 38</td> <td>.031</td> </tr> <tr> <td>39 - 57</td> <td>.050</td> </tr> <tr> <td>58 - 72</td> <td>.085</td> </tr> <tr> <td>73 - 87</td> <td>.105</td> </tr> <tr> <td>88 - 115</td> <td>.161</td> </tr> <tr> <td>116 - 129</td> <td>.195</td> </tr> </tbody> </table>	PARENTING TIME TABLE A		Number of Parenting Time Days	Adjustment Percentage	0 - 3	0	4 - 20	.012	21 - 38	.031	39 - 57	.050	58 - 72	.085	73 - 87	.105	88 - 115	.161	116 - 129	.195	
PARENTING TIME TABLE A																								
Number of Parenting Time Days	Adjustment Percentage																							
0 - 3	0																							
4 - 20	.012																							
21 - 38	.031																							
39 - 57	.050																							
58 - 72	.085																							
73 - 87	.105																							
88 - 115	.161																							
116 - 129	.195																							

				130 - 142	.253
				143 - 152	.307
				153 - 162	.362
				163 - 172	.422
				173 - 182	.486
100	Example	13	<p>EXAMPLE: The Basic Child Support Obligation basic child support obligation from the Schedule schedule is \$671 for two children. After making all applicable adjustments under Section 9 II(G), the Total Child Support Obligation total child support obligation is \$1,105, and the noncustodial parent's proportionate share is 60%, or \$663. The noncustodial parent has parenting time with the children a total of 100 days. On Parenting Time Table A, the range of days for this amount of parenting time is from 88 to 115 days. The corresponding adjustment percentage is .161. Multiply the \$671 Basic Child Support Obligation basic child support obligation by .161 or 16.1%. The resulting \$108 is subtracted from \$663 (the noncustodial parent's proportionate share of the Total Child Support Obligation total child support obligation), adjusting the child support obligation to \$551 \$555.</p>		
101		14	<p>As the number of parenting time days approaches equal time sharing (143 days and above), certain costs usually incurred only in the custodial household are assumed to be substantially or equally shared by both parents. These costs are for items such as the child's clothing and personal care items, entertainment and reading materials. If this assumption is rebutted by proof, for example, that such costs are not substantially or equally shared in each household,</p>		

			only Parenting Time Table B must be used to calculate the parenting time adjustment for this range of days. Locate the total number of parenting time days per year in the left columns of "Parenting Time Table B" and select the adjustment percentage from the adjacent column. Multiply the Basic Child Support Obligation basic child support obligation determined under Section 8 II(F) by the appropriate adjustment percentage. The number resulting from this multiplication then is subtracted from the proportionate share of the Total Child Support Obligation total child support obligation of the parent who exercises parenting time.												
102	Parenting Time Table B	14	<table border="1"> <thead> <tr> <th colspan="2">PARENTING TIME TABLE B</th> </tr> <tr> <th>Number of Parenting Time Days</th> <th>Adjustment Percentage</th> </tr> </thead> <tbody> <tr> <td>143 – 152</td> <td>.275</td> </tr> <tr> <td>153 – 162</td> <td>.293</td> </tr> <tr> <td>163 – 172</td> <td>.312</td> </tr> <tr> <td>173 – 182</td> <td>.331</td> </tr> </tbody> </table>	PARENTING TIME TABLE B		Number of Parenting Time Days	Adjustment Percentage	143 – 152	.275	153 – 162	.293	163 – 172	.312	173 – 182	.331
PARENTING TIME TABLE B															
Number of Parenting Time Days	Adjustment Percentage														
143 – 152	.275														
153 – 162	.293														
163 – 172	.312														
173 – 182	.331														
103	Section II(K) Equal Custody	14	<p>12. K. EQUAL CUSTODY</p> <p>If the time spent with each parent is essentially equal, the expenses for the children are equally shared, and adjusted gross incomes of the parents also are essentially equal, no child support shall be paid. If the parents' incomes are not equal, the total child support amount shall be divided equally between the two households, and the parent owing the greater amount shall be ordered to pay what is necessary to</p>												

			achieve that equal share in the other parent's household.	
104	Example	14	<p>EQUAL CUSTODY EXAMPLE:</p> <p>After making all applicable adjustments under Sections 9 and 13 II(G)(2-5), the remaining child support obligation is \$1,500. The parents' proportionate shares of the obligation are \$1,000 and \$500. To equalize the child support available in both households, deduct the lower amount from the higher amount ($\\$1,000 - \\$500 = \\$500$), then divide the balance in half ($\\$500 \div 2 = \\250). The resulting amount, \$250, is paid to the parent with the lower obligation.</p>	
105			<p>13. ADJUSTMENTS FOR OTHER COSTS</p> <p>If a parent pays a cost under Section 9.A. or 9.B. (except 9.B.4), deduct the cost from that parent's Proportionate Share of income to arrive at the Preliminary Child Support Amount.</p> <p>EXAMPLE: A noncustodial parent pays for medical insurance through his or her employer. This cost is added to the Basic Child Support Obligation pursuant to Section 9.A, then prorated between the parents to arrive at each parent's proportionate child support obligation. Because the cost has already been paid to a third party (the insurance company), the cost must be deducted from the noncustodial parent's child support obligation because this portion of the child support obligation has already been paid.</p>	Moved to Section II(G)
106	Section II(L) Determining the Child Support Order	14	<p>14. L. DETERMINING THE TOTAL CHILD SUPPORT ORDER</p> <p>The court shall order the noncustodial parent to pay child support in an amount equal to his or her proportionate share of the Total Child Support Obligation total child support obligation. The custodial parent shall be presumed to spend his or her share directly on the children.</p>	

107	Example	15	<p>EXAMPLE: On the Schedule, the Basic Child Support Obligation basic child support obligation for a Combined Adjusted Gross Income combined adjusted gross income of \$1,500 for one child is \$327. To this the court adds \$33 because the child is over 12 years of age (10% in this example). The Total Child Support Obligation total child support obligation is \$360. The father's share is 60% of \$360, or \$216. The mother's share is 40% of \$360, or \$144. Custody is granted to the mother, and under the court-approved court approved parenting plan, parenting time will be exercised by the father a total of 100 days per year resulting in an adjustment of \$53 (\$327 X 16.1%). After adjusting for parenting time, the father's share is \$163 (\$216 less \$53). The father shall pay the child support amount of \$163 per month. The value of the mother's contribution is \$144, and she spends it directly on the child.</p>
108	Section II(M) Self-Support Reserve Test	15	<p>15. M. SELF-SUPPORT RESERVE TEST</p> <p>In each case, after determining the child support order, the court shall perform a Self-Support Reserve Test self-support reserve test to verify that the noncustodial parent is financially able both to pay the child support order and to maintain at least a minimum standard of living, as follows: Deduct \$903 (the Self-Support Reserve self-support reserve amount) from the noncustodial parent's Adjusted Gross Income adjusted gross income, except that the court <u>may</u> deduct from such parent's Adjusted Gross Income adjusted gross income for purposes of the Self-Support Reserve Test self-support reserve test only, court-ordered arrears on child support for children of other relationships or spousal maintenance, if actually paid. If the resulting amount is less</p>

			than the child support order, the court <u>may</u> reduce the current child support order to the resulting amount after first considering the financial impact the reduction would have on the custodial parent’s household. The test applies only to the current child support obligation, but does not prohibit an additional amount to be ordered to reduce an obligor's arrears.	
109	Example	15	EXAMPLE 1: Before applying the Self-Support Reserve Test self-support reserve test , the child support order is calculated under the guidelines to be \$162 \$175 . The adjusted gross income of the noncustodial parent is \$978. Subtracting the self-support reserve amount of \$903 from the noncustodial parent’s adjusted gross income of \$978 leaves \$75. Because this resulting amount is less than the \$162 \$175 child support order, the court may reduce the child support order to the resulting amount. However, before making any reduction, the court shall examine the self-support capability of the non-paying parent, using the same Self-Support Reserve Test self-support reserve test applied to the noncustodial parent.	
110	Example	16	EXAMPLE 2: In this example, the non-paying parent's proportionate share of the total child support obligation is calculated under the guidelines to be \$222 \$202 . This parent’s Adjusted Gross Income adjusted gross income is \$950. Subtracting the self-support reserve of \$903 from the non-paying parent’s Adjusted Gross Income adjusted gross income of \$950 leaves \$47. Because this resulting amount is less than the parent's proportionate share of the Total Child Support Obligation total child support obligation , it is evident that both parents have insufficient income to be self-supporting. In this situation, the court has discretion to determine	

			whether and in what amount the child support order (the amount the noncustodial parent is ordered to pay) may be reduced.	
111	Section II(N) Rounding the Final Support Order	16	<p>N. ROUNDING THE FINAL SUPPORT ORDER</p> <ol style="list-style-type: none"> 1. When the final support order is insignificant, the court may round it to zero. 2. Child support shall be presumptively rounded to the nearest ten dollars. 3. A rounded amount reached by the application of paragraphs 1 and 2 is not a deviation. 	New section added
	Section	Page	Proposed Language	Comments
112	Section III. Guideline Support Amount	17		
113			<p>16. MULTIPLE CHILDREN, DIVIDED CUSTODY</p> <p>When each parent is granted physical custody of at least one of the parties' children, each parent is obligated to contribute to the support of all the children. However, the amount of current child support to be paid by the parent having the greater child support obligation shall be reduced by the amount of child support owed to that parent by the other parent.</p> <p>EXAMPLE: (For simplicity, this example does not consider parenting time.) Combined Adjusted Gross Income is \$3,000 per month. Father's gross income is \$1,000 per month (33.3%) and he has custody of one child. Mother's gross income is \$2,000 per month (66.6%) and she has custody of two children.</p> <p>Prepare a Parent's Worksheet to determine child support for</p>	Moved to Section IV(B) and (C)

		<p>children in the mother's household. Locate the Combined Adjusted Gross Income figure of \$3,000 on the Schedule. Select the child support figure in the column for the two children in this household, \$863. The father's share is 33.3% of \$863, or \$288.</p> <p>Prepare a Parent's Worksheet to determine child support for the child in the father's household. Locate the Combined Adjusted Gross Income figure of \$3,000. Select the child support figure in the column for the one child in this household, \$596. The mother's share is 66.6% of \$596, or \$397.</p> <p>The mother is obligated to pay the father \$397 for child support. This amount is reduced by the \$287 obligation owed by the father to the mother. Thus, the mother shall pay \$110 per month.</p>	
114		<p>17. CHILD SUPPORT ASSIGNED TO THE STATE If child support has been assigned to the state under Arizona Revised Statutes Section 46-407, the obligation of a parent to pay child support shall not be offset by child support arrearages that may be owed to that parent.</p>	Moved to Section IV(E)
115		<p>18. TRAVEL EXPENSES ASSOCIATED WITH PARENTING TIME The court may allocate travel expenses of the child associated with parenting time in cases where one-way travel exceeds 100 miles. In doing so, the court shall consider the means of the parents and may consider how their conduct (such as a change of residence) has affected the costs of parenting time. To the extent possible, any allocation shall ensure that the</p>	Moved to Section III(F)

			child has continued contact with each parent. A parent who is entitled to receive reimbursement from the other parent for allocated parenting time expenses shall, upon request of the other parent, provide receipts or other evidence of payments actually made. The allocation of expenses does not change the amount of the child support ordered.	
116			<p>19. GIFTS IN LIEU OF MONEY</p> <p>Once child support has been ordered by the court, the child support is to be paid in money. Gifts of clothing, etc. in lieu of money are not to be offset against the child support order except by court order.</p>	Moved to Section III(C)
117			<p>20. DEVIATIONS</p> <p>A. The court <u>shall</u> deviate from the guidelines, i.e., order child support in an amount different from that which is provided pursuant to these guidelines, after considering all relevant factors, including those set forth in Arizona Revised Statutes Section 25-320, and applicable case law, only if <u>all</u> of the following criteria are met:</p> <ol style="list-style-type: none"> 1. Application of the guidelines is inappropriate or unjust in the particular case, 2. The court has considered the best interests of the child in determining the amount of a deviation. A deviation that reduces the amount of child support paid is not, by itself, contrary to the best interests of the child, 3. The court makes written findings regarding 1. and 2. above in the Child Support Order, Minute Entry or Child Support Worksheet, 4. The court shows what the order would have been without the deviation, and 	Moved to Section IV(A)

			<p>5. The court shows what the order is after deviating.</p> <p>B. The court <u>may</u> deviate from the guidelines based upon an agreement of the parties only if all of the following criteria are met:</p> <ol style="list-style-type: none"> 1. The agreement is in writing or stated on the record pursuant to Rule 69, Arizona Rules of Family Law Procedure (ARFLP). 2. All parties have entered into the agreement with knowledge of the amount of child support that would have been ordered under the guidelines but for the agreement, 3. All parties have entered into the agreement free of duress and coercion, and 4. The court complies with the requirements of Section 20.A. <p>In cases with significant disparity of income between the custodial and noncustodial parent, a deviation may be appropriate.</p>	
118			<p>21. THIRD-PARTY CARE GIVERS</p> <p>When a child lives with a third-party caregiver by virtue of a court order, administrative placement by a state agency or under color of authority, the third-party caregiver is entitled to receive child support payments from each parent on behalf of the child.</p>	Moved to Section IV(D)
119	Section III(A) Court's Findings	17	<p>22. A. COURT'S FINDINGS</p> <p>The court shall make findings in the record as to: Gross Income gross income, Adjusted Gross Income adjusted gross income, Basic Child Support Obligation basic child support obligation, Total Child Support Obligation total child support obligation, each parent's proportionate share of the child support obligation, and the child support order. The findings</p>	

			<p>may be made by incorporating a worksheet containing this information into the file. If the court attributes income above minimum wage income, the court shall explain the reason for its decision.</p> <p>The child support order shall shall be set forth in a sum certain and shall start on a date certain. A new child support order shall shall be filed upon any change in the amount or due date of the child support obligation.</p>	
120	Section III(B) Exchange of Information	17	<p>23.B. EXCHANGE OF INFORMATION</p> <p>The court shall shall order that every twenty-four 24 months, financial information such as tax returns, financial affidavits, and earning statements be exchanged between the parties. Unless the court has ordered otherwise, at the time the parties exchange financial information, they shall also exchange residential addresses and the names and addresses of their employers.</p>	
121	Section III(C) Gifts in Lieu of Money	17	<p>19.C. GIFTS IN LIEU OF MONEY</p> <p><u>Once child support has been ordered by the court, the child support is to be paid in money. Gifts of clothing, etc. in lieu of money are not to be offset against the child support order except by court order.</u></p>	No language changes from current guidelines.
122			<p>24. MODIFICATION</p> <p>A. Standard Procedure Pursuant to Arizona Revised Statutes Sections 25-327 and 25-503, either parent or the state Title IV-D agency may ask the court to modify a child support order upon a showing of a substantial and continuing change of circumstances.</p> <p>B. Simplified Procedure Either parent or the state Title IV-D agency may request the court to modify a child support order if application of the</p>	Moved to Section V(C)(1)

		<p>guidelines results in an order that varies 15% or more from the existing amount. A fifteen percent variation in the amount of the order will be considered evidence of substantial and continuing change of circumstances. A request for modification of the child support amount must be accompanied by a completed and sworn "Parent's Worksheet for Child Support Amount," and documentation supporting the incomes if different from the court's most recent findings regarding income of the parents. If the party requesting the modification is unable to provide documentation supporting the other party's income, the requesting party shall indicate that the income amount is attributed/estimated and state the basis for the amount listed. The state Title IV-D agency may submit a parent's worksheet.</p> <p>The simplified procedure also may be used by either parent or the state Title IV-D agency to modify a child support order to assign or alter the responsibility to provide medical insurance for a child who is subject of a child support order. A modification of the medical assignment or responsibility does not need to vary by 15% or more from the existing amount to use the simplified procedure.</p> <p>A copy of the request for modification of child support and the "Parent's Worksheet for Child Support Amount," including supporting documentation, showing that the proposed child support amount would vary 15% or more from the existing child support order shall be served on the other parent, or on both parents if filed by the state Title IV-D agency, pursuant to Rule 27, Arizona Rules of Family Law Procedure (<i>ARFLP</i>).</p>
--	--	--

		<p>If the requested modification is disputed, the parent receiving service must request a hearing within 20 days of service. If service is made outside the state, as provided in Rule 42, <i>ARFLP</i>, the parent receiving service must request a hearing within 30 days of service.</p> <p>A party requesting a hearing shall file a written request for hearing accompanied by a completed and sworn "Parent's Worksheet for Child Support Amount." Copies of the documents filed, together with the notice of hearing, shall be served on the other party and, if appropriate, the state Title IV-D agency by first class mail not less than ten judicial days prior to the hearing.</p> <p>Upon proof of service and if no hearing is requested within the time allowed, the court will review the request and enter an appropriate order or set the matter for hearing.</p> <p>If any party requests a hearing within the time allowed, the court shall conduct such hearing. No order shall be modified without a hearing if one is requested.</p> <p>The notice provision of Rule 44, <i>ARFLP</i>, does not apply to this simplified modification procedure.</p> <p>A request to modify child support, request for a hearing and notice of hearing, "Parent's Worksheet for Child Support Amount" and child support order filed or served pursuant to this subsection must be made using forms approved by the Arizona Supreme Court or substantially similar forms.</p> <p>Approved forms are available from the Clerk of the Superior</p>
--	--	--

			Court.	
123			<p>25. EFFECT OF CESSATION OF CHILD SUPPORT FOR ONE CHILD</p> <p>If child support for more than one child was ordered under these guidelines and thereafter the duty to support one of the children stops, the order is not automatically reduced by that child's share. To obtain a modification to the child support order, a request must be made in writing to the court to recalculate the child support obligation pursuant to these guidelines. The procedure specified in Section 24 may be used for this purpose.</p> <p>EXAMPLE: The child support order for Combined Adjusted Gross Income of \$1,500, with four children is \$629. One child graduates from high school and turns 18. In determining the new child support amount, do not deduct one-fourth of the order for a new order of \$472. Instead, determine a new child support order by applying the guidelines. (NOTE: This method varies from the one used in Section 9.B.4).</p>	Moved to Section V(B)
124			<p>26. INCOME AND BENEFITS RECEIVED BY OR ON BEHALF OF CHILD</p> <p>A. Income earned or money received by a child from any source other than court-ordered child support shall not be counted toward either parent's child support obligation except as stated herein. However, income earned or money received by or on behalf of a person for whom child support is ordered to continue past the age of majority pursuant to Arizona Revised Statute Sections 25-320.E and 25-809.F <u>may</u> be credited against any child support obligation.</p> <p>B. Benefits, such as Social Security Disability or Insurance,</p>	Moved to Section IV(F)

			<p>received by a custodial parent on behalf of a child, as a result of contributions made by the parent paying child support shall be credited as follows:</p> <ol style="list-style-type: none"> 1. If the amount of the child's benefit for a given month is equal to or greater than the paying parent's child support obligation, then that parent's obligation is satisfied. 2. Any benefit received by the child for a given month in excess of the child support obligation shall not be treated as an arrearage payment nor as a credit toward future child support payments. 3. If the amount of the child's benefit for a given month is less than the parent's child support obligation, the parent shall pay the difference unless the court, in its discretion, modifies the child support order to equal the benefits being received at that time. <p>C. Except as otherwise provided in section 5.B, any benefits received directly, and not on behalf of a child, by either the custodial parent or the parent paying child support as a result of his or her own contributions, shall be included as part of that parent's gross income.</p>	
125	Section III(D) Federal and State Tax Exemption for Dependent Children	17	<p>27. D. FEDERAL AND STATE TAX EXEMPTION FOR DEPENDENT CHILDREN</p> <p>All the federal and state tax exemptions applicable to the minor children shall be allocated between the parents as they agree, or, in the absence of their agreement, in a manner that allows each parent to claim allowable federal dependency exemptions proportionate to adjusted gross income in a reasonable pattern that can be repeated in no more than 5 years. This may be done by allocating claiming of the children</p>	

			<p>or claiming of specific years. To implement this provision, the proportionate share of the combined adjusted gross income of both parents is rounded to the nearest fraction with a denominator no larger than 5 (i.e. 1/2, 1/3, 2/3, 1/4, 3/4, 1/5, 2/5, 3/5, 4/5). For illustrative purposes, assume father earns \$60,000 and mother earns \$40,000 of the combined adjusted gross income of \$100,000. Father's share of the combined income is 3/5. If father earned \$30,000 and mother earned \$20,000, then 3/5 would still be the fraction with a denominator of 5 or less that comes closest to father's share of the parents' combined adjusted gross income. The dependency exemption shall therefore be allocated utilizing this fraction. If a parent otherwise entitled to the dependency exemption would derive no tax benefit from claiming it in any given tax year, then the entire exemption for that tax year, and not just the share indicated by the preceding sentence, may be allocated to the parent who would derive a tax benefit for that tax year. An Internal Revenue Service Form 8332 may need to be signed and filed with a parent's income tax return.</p>	
126		17-18	<p>The court may deny the right to a present or future tax exemption when a history of non-payment of child support exists. The allocation of the exemption may be conditioned upon payment by December 31 of the total court-ordered monthly child support obligation for the current calendar year and any court-ordered arrearage payments due during that calendar year for which the exemption is to be claimed. If these conditions have been met, the custodial parent will need to execute the necessary Internal Revenue Service form (Form 8332) to transfer the exemption. If the noncustodial</p>	

			parent has paid the current child support, but has not paid the court-ordered arrearage payments, the noncustodial parent shall not be entitled to claim the exemption.	
127	Example	18	INCOME TAX EXEMPTION EXAMPLE: Noncustodial parent's percentage of gross income is approximately 67% (2/3) and custodial parent's percentage is approximately 33% (1/3). All payments are current. If there are three children, the noncustodial parent would be entitled to claim the exemption for two children and the custodial parent would be entitled to claim the exemption for one child. If there is only one child, the noncustodial parent would be entitled to claim the child two out of every three years, and the custodial parent would claim the child one out of every three years.	
128	Section III(D)	18	For purposes of this section only, a noncustodial parent shall be credited as having paid child support that has been deducted on or before December 31 pursuant to an order of assignment if the amount has been received by the court or clearinghouse by January 15 of the following year.	Insert IWO language?
129	Section III(E) Unreimbursed Medical Expenses	18	<u>The court shall also specify the percentage that each parent shall pay, in excess of cash medical support (applicable to Title IV-D cases only), for any medical, dental, and/or vision costs of the children which that are not covered by insurance. For purposes of this paragraph, non covered "medical" means medically necessary medical, dental and/or vision care as defined by Internal Revenue Service Publication 502.</u>	Moved from current paragraph 2.
130		18	<u>Except for good cause shown, any request for payment or reimbursement of uninsured medical, dental, and/or vision costs must be provided to the other parent within 180 days after the date the services occur. The parent responsible for payment or reimbursement must pay his or her share, as</u>	

			<u>ordered by the court, or make acceptable payment arrangements with the provider or person entitled to reimbursement within 45 days after receipt of the request.</u>
131		18	<u>Both parents should use their best efforts to obtain services that are covered by the insurance. A parent who is entitled to receive reimbursement from the other parent for medical costs not covered by insurance shall, upon request of the other parent, provide receipts or other evidence of payments actually made.</u>
132	Section III(F) Travel Expenses	18-19	<p><u>18.F. TRAVEL EXPENSES ASSOCIATED WITH PARENTING TIME</u></p> <p><u>The court may allocate divide parenting time travel expenses of the child associated with between the parents parenting time in cases where one-way travel for parenting time exceeds 100 miles or in extraordinary circumstances. In doing so, the The court shall consider the means financial resources of the parents and may consider how their a parent's conduct, (such as a change of residence), has affected the costs. The court may: of parenting time. To the extent possible, any allocation shall ensure that the child has continued contact with each parent. A parent who is entitled to receive reimbursement from the other parent for allocated parenting time expenses shall, upon request of the other parent, provide receipts or other evidence of payments actually made. The allocation of expenses does not change the amount of the child support ordered.</u></p> <p>1. Order one parent to reimburse the other parent. The party who is entitled to travel reimbursement shall provide written evidence to the other parent of expenses actually paid within 30 days of payment, and the other party shall reimburse the</p>

			expense within 14 days of receipt of the written evidence, or 2. Assign to one parent all of the travel expenses and alter the child support to reflect the fact that the parent is paying all of the travel expenses.	
	Section	Page	Proposed Language	Comments
133	Section IV. Special Circumstances	20		
134	Section IV(A) Deviation	20	<p>20. A. DEVIATIONS</p> <p>A. 1. BY COURT</p> <p>The court shall deviate from the guidelines, i.e., may order child support in an amount different from that which is provided pursuant to these that is a deviation from the guidelines, after considering all relevant factors, including those set forth in Arizona Revised Statutes Section A.R.S. § 25-320, and applicable case law, only if all of the following criteria are met:</p> <p>1. a. <u>Application of the guidelines is inappropriate or unjust in the particular case.</u></p> <p>2. b. <u>The court has considered the best interests of the child in determining the amount of a deviation. A deviation that reduces the amount of child support paid is not, by itself, contrary to the best interests of the child.</u></p> <p>3. c. <u>The court makes written findings regarding 1. and 2. above in the Child Support Order</u> in the child support order, Minute Entry minute entry or Child Support Worksheet child support worksheet, regarding (a) and (b) above, the guidelines support amount and the amount after the deviation.</p> <p><u>4. The court shows what the order would have been without</u></p>	

			<p>the deviation, and</p> <p>5. <u>The court shows what the order is after deviating.</u></p>	
135		20	<p>B.2. BY AGREEMENT</p> <p><u>The court may deviate from the guidelines based upon an agreement of the parties only if all of the following criteria are met:</u></p> <p>1. <u>a. The agreement is in writing or stated on the record pursuant to Rule 69, Arizona Rules of Family Law Procedure (ARFLP).</u></p> <p>2. <u>b. All parties have entered into the agreement with knowledge of the amount of the guideline child support that would have been ordered under the guidelines but for the agreement, amount.</u></p> <p>3. <u>c. All parties have entered into the agreement free of duress and coercion, and.</u></p> <p>4. <u>d. The court complies with the requirements of Section 20.A IV(A)(1).</u></p> <p>In cases with significant disparity of income between the custodial and noncustodial parent, a deviation may be appropriate.</p>	Moved (4.) into Section IV(A)(3) below
136		20	<p>3. EXAMPLES FOR DEVIATION</p> <p>Circumstances that may justify a deviation include, but are not limited to, the following:</p> <p>G. a. The court shall not take into account the impact of the disposition of marital property except as provided in Arizona Revised Statutes Section 25-320.A.6. ("...excessive Excessive or abnormal expenditures, destruction, concealment or fraudulent disposition of community, joint tenancy and other property held in common, ") or to the extent that such as provided in A.R.S. § property generates income to a parent.</p>	Paragraph G moved from Section II(B)(2)

			<p>25-320(D)(7).</p> <p>b. Extraordinary income tax circumstances, such as either party receiving substantial tax-free income or significant pre-tax benefits.</p> <p>c. When there are more than six children for whom the child support is ordered. <u>In cases with significant disparity of income between the custodial and noncustodial parent, a deviation may be appropriate.</u></p>
137	Section IV(B) Multiple Children, Divided Custody	20	<p>16.B. MULTIPLE CHILDREN, DIVIDED CUSTODY</p> <p><u>When each parent is granted physical custody of at least one of the parties' children, each parent is obligated to contribute to the support of all the children. In that circumstance, separate child support calculations should be performed for the child or children in each parent's home. The amount of the resulting</u> However, the amount of current <u>child support to be paid by the parent having the greater child support obligation shall be reduced by the amount of child support owed to that parent by the other parent.</u></p>
138	Example	21	<p>MULTIPLE CHILDREN, DIVIDED CUSTODY EXAMPLE: (For simplicity, this example does not consider parenting time.) <u>Combined Adjusted Gross Income</u> adjusted gross income <u>is \$3,000 per month. Father's gross income is \$1,000 per month (33.3%) and he has custody of one child. Mother's gross income is \$2,000 per month (66.6%) and she has custody of two children.</u></p> <p><u>Prepare a Parent's Worksheet</u> parent's worksheet <u>to determine child support for children in the mother's</u> Mother's <u>household. Locate the Combined Adjusted Gross Income</u> combined adjusted gross income <u>figure of \$3,000 on the</u></p>

			<p>Schedule schedule. Select the child support figure in the column for the two children in this household, \$863. The father's Father's share is 33.3% of \$863, or \$288 \$287.</p> <p>Prepare a Parent's Worksheet parent's worksheet to determine child support for the child in the father's Father's household. Locate the Combined Adjusted Gross Income combined adjusted gross income figure of \$3,000. Select the child support figure in the column for the one child in this household, \$596. The mother's Mother's share is 66.6% of \$596, or \$397.</p> <p>The mother Mother is obligated to pay the father Father \$397 for child support. This amount is reduced by the \$287 obligation owed by the father Father to the mother Mother. Thus, the mother Mother shall pay \$110 per month.</p>	
139	Section IV(C) Multiple Children, Varying Parenting Time Schedule	21	<p>C. MULTIPLE CHILDREN, VARYING PARENTING TIME SCHEDULE</p> <p>When there are multiple children whose parenting time schedules differ from one another, the parenting time adjustment cannot be determined with the same precision as when the children have the same schedule. In that circumstance, two separate calculations should be performed. The first should be based upon the assumption that all of the children are under the lesser parenting time schedule. The second calculation should be based upon the assumption that all of the children are under the greater parenting time schedule. The two resulting child support amounts shall represent the range of the support obligation between the two parenting time schedules. Based upon the</p>	New section added

			particular circumstances of the case, the final child support obligation may be any amount that falls within the range of the two calculated figures.	
140	Example	21	EXAMPLE: Father’s gross income is \$4,000 and Mother’s gross income is \$4,000. The parties have three children, all of whom reside primarily with Mother. One of the children has 50 days of parenting time with Father and the other two children have 150 days of parenting time with Father. Calculate the child support obligation for all three children assuming that they are each under the 50-day parenting time schedule. This results in a monthly obligation owed by Father of \$796. Then calculate the child support obligation for all three children under the 150-day parenting time schedule. This results in a monthly obligation owed by Father of \$145. The two resulting figures of \$796 and \$145 provide the range for the final child support obligation. Any amount within this range is considered consistent with the guidelines, and it is not a deviation.	New Example
141		21	If it is determined that a weighted average is the most appropriate method to arrive at a precise support amount, that figure can be arrived at as follows: Begin with the support amount arrived at for the lesser number of parenting days (50 parenting days resulting in a support amount of \$796 under this example) and multiply that by the number of children that are actually under that schedule (one child under this example). Then use the support amount arrived at for the greater number of parenting days (150 parenting days resulting in a support amount of \$145 under this example) and multiply that by the number of children under that schedule (two children under this example). Add the amount	

			determined for the lesser number of parenting days (\$796 x 1 child = \$796 under this example) to the amount determined for the greater number of parenting days (\$145 x 2 children = \$290). This total amount (\$796 + \$290 = \$1,086) shall then be divided by the total number of children (three children under this example) to arrive at the weighted child support figure (\$1,086 divided by 3 = \$362 monthly child support obligation under this example).	
142	Section IV(D) Third-Party Caregivers	22	21.D. THIRD-PARTY CARE GIVERS <u>When a child lives with a third-party caregiver by virtue of a court order, administrative placement by a state agency, or under color of authority, the third-party caregiver is</u> may be <u>entitled to receive child support payments from each parent on behalf of the child.</u>	
143	Section IV(E) Support Assigned to the State	22	17.E. CHILD SUPPORT ASSIGNED TO THE STATE <u>If child support or cash medical support has been assigned to the state under Arizona Revised Statutes Section <u>A.R.S. § 46-407 or A.R.S. § 25-320(K)(1) or any subsequently adopted authorities,</u> the obligation of a parent to pay child support or cash medical support shall not be offset by child support arrearages that may be owed to that parent. Child support or cash medical support assigned to the state may not be waived or forgiven by the custodial parent.</u>	
144		22	22. COURT'S FINDINGS The court shall make findings in the record as to: Gross Income, Adjusted Gross Income, Basic Child Support Obligation, Total Child Support Obligation, each parent's proportionate share of the child support obligation, and the child support order. The findings may be made by incorporating a worksheet	Paragraph moved to Section III(A)

			<p>containing this information into the file.</p> <p>If the court attributes income above minimum wage income, the court <u>shall</u> explain the reason for its decision.</p> <p>The child support order <u>shall</u> be set forth in a sum certain and start on a date certain. A new child support order <u>shall</u> be filed upon any change in the amount or due date of the child support obligation.</p>	
145			<p>23. EXCHANGE OF INFORMATION</p> <p>The court shall order that every twenty-four months, financial information such as tax returns, financial affidavits, and earning statements be exchanged between the parties.</p> <p>Unless the court has ordered otherwise, at the time the parties exchange financial information, they shall also exchange residential addresses and the names and addresses of their employers.</p>	Paragraph moved to Section III(B)
146			<p>24. MODIFICATION</p> <p>A. Standard Procedure</p> <p>Pursuant to Arizona Revised Statutes Sections 25-327 and 25-503, either parent or the state Title IV-D agency may ask the court to modify a child support order upon a showing of a substantial and continuing change of circumstances.</p> <p>B. Simplified Procedure</p> <p>Either parent or the state Title IV-D agency may request the court to modify a child support order if application of the guidelines results in an order that varies 15% or more from the existing amount. A fifteen percent variation in the amount of the order will be considered evidence of substantial and continuing change of circumstances. A request for modification of the child support amount must be</p>	Paragraph moved to Section V(C)

		<p>accompanied by a completed and sworn "Parent's Worksheet for Child Support Amount," and documentation supporting the incomes if different from the court's most recent findings regarding income of the parents. If the party requesting the modification is unable to provide documentation supporting the other party's income, the requesting party shall indicate that the income amount is attributed/estimated and state the basis for the amount listed. The state Title IV-D agency may submit a parent's worksheet.</p> <p>The simplified procedure also may be used by either parent or the state Title IV-D agency to modify a child support order to assign or alter the responsibility to provide medical insurance for a child who is subject of a child support order. A modification of the medical assignment or responsibility does not need to vary by 15% or more from the existing amount to use the simplified procedure.</p> <p>A copy of the request for modification of child support and the "Parent's Worksheet for Child Support Amount," including supporting documentation, showing that the proposed child support amount would vary 15% or more from the existing child support order shall be served on the other parent, or on both parents if filed by the state Title IV-D agency, pursuant to Rule 27, Arizona Rules of Family Law Procedure (ARFLP).</p> <p>If the requested modification is disputed, the parent receiving service must request a hearing within 20 days of service. If service is made outside the state, as provided in Rule 42, ARFLP, the parent receiving service must request a hearing within 30 days of service.</p>
--	--	--

		<p>A party requesting a hearing shall file a written request for hearing accompanied by a completed and sworn "Parent's Worksheet for Child Support Amount." Copies of the documents filed, together with the notice of hearing, shall be served on the other party and, if appropriate, the state Title IV-D agency by first class mail not less than ten judicial days prior to the hearing.</p> <p>Upon proof of service and if no hearing is requested within the time allowed, the court will review the request and enter an appropriate order or set the matter for hearing.</p> <p>If any party requests a hearing within the time allowed, the court shall conduct such hearing. No order shall be modified without a hearing if one is requested.</p> <p>The notice provision of Rule 44, ARFLP, does not apply to this simplified modification procedure.</p> <p>A request to modify child support, request for a hearing and notice of hearing, "Parent's Worksheet for Child Support Amount" and child support order filed or served pursuant to this subsection must be made using forms approved by the Arizona Supreme Court or substantially similar forms.</p> <p>Approved forms are available from the Clerk of the Superior Court.</p>	
147		25. EFFECT OF CESSATION OF CHILD SUPPORT FOR ONE CHILD	

			<p>If child support for more than one child was ordered under these guidelines and thereafter the duty to support one of the children stops, the order is not automatically reduced by that child's share. To obtain a modification to the child support order, a request must be made in writing to the court to recalculate the child support obligation pursuant to these guidelines. The procedure specified in Section 24 may be used for this purpose.</p> <p>EXAMPLE: The child support order for Combined Adjusted Gross Income of \$1,500, with four children is \$629. One child graduates from high school and turns 18. In determining the new child support amount, do not deduct one-fourth of the order for a new order of \$472. Instead, determine a new child support order by applying the guidelines. (NOTE: This method varies from the one used in Section 9.B.4).</p>	
148	Section IV(F) Income and Benefits	22	26.F. INCOME AND BENEFITS	
149	Section IV(F)(1) Income of a Child	22	<p>RECEIVED BY OR ON BEHALF OF CHILD</p> <p>A.1. INCOME OF A CHILD</p> <p>Income earned or money received by a child from any source other than court-ordered child support shall not be counted toward either parent's child support obligation except as stated herein described below. However, income earned or money received by or on behalf of a person for whom child support is ordered to continue past the age of majority pursuant to Arizona Revised Statute Sections 25-320.E and 25-809.F may be credited against any child support obligation.</p>	
150	Section IV(F)(2) Benefits Received on Behalf of a	22	<p>B.2. BENEFITS RECEIVED ON BEHALF OF A CHILD</p> <p>Benefits, such as Social Security Disability (SSDI) or other</p>	

	Child		<p>Insurance insurance, received by a custodial parent on behalf of a child, as a result of contributions made by the parent paying child support obligor shall be credited as follows:</p> <p>1.a. If the amount of the child's benefit for a given month is equal to or greater than the paying parent's obligor's child support obligation, then that parent's obligor's obligation is satisfied.</p> <p>2.b. Any benefit received by the child for a given month in excess of the child support obligation shall not be treated as credited against an arrearage payment nor as a arrears, credit credited toward future child support payments, or subject to any claim for reimbursement.</p> <p>3.c. If the amount of the child's benefit for a given month is less than the parent's obligor's child support obligation, the parent obligor shall pay the difference unless the court, in its discretion, modifies the child support order to equal the benefits being received at that time between the benefit and the child support obligation.</p>	
151	Section IV(F)(3) Benefits not Included in Parent's Income	23	<p>3. BENEFITS NOT INCLUDED IN PARENT'S INCOME</p> <p>Except as otherwise provided in section 5.B, any benefits Benefits received directly, and not on behalf of a child, by either the custodial parent or the parent paying child support as a result of his or her own contributions, shall be included as part of that parent's on behalf of a child are not included as gross income pursuant to Section II(C)(2).</p>	
152	Section IV(F)(4) Disabled Adult Child	23	<p>4. DISABLED ADULT CHILD</p> <p>Pursuant to A.R.S. § 25-320(E) and A.R.S. § 25-809(F), the court may order support to continue past the age of majority for a disabled child if the child is severely mentally or physically disabled as demonstrated by the fact that the child</p>	New Section

			is unable to live independently and be self-supporting. In such a case, the court may take into account income earned or money received by or on behalf of the disabled adult child against any child support obligation. Note: Depending upon the nature of the court order, the benefits received by the disabled adult child may be reduced.	
153			<p>27. FEDERAL AND STATE TAX EXEMPTION FOR DEPENDENT CHILDREN</p> <p>All the federal and state tax exemptions applicable to the minor children shall be allocated between the parents as they agree, or, in the absence of their agreement, in a manner that allows each parent to claim allowable federal dependency exemptions proportionate to adjusted gross income in a reasonable pattern that can be repeated in no more than 5 years. This may be done by allocating claiming of the children or claiming of specific years. To implement this provision, the proportionate share of the combined adjusted gross income of both parents is rounded to the nearest fraction with a denominator no larger than 5 (i.e. 1/2, 1/3, 2/3, 1/4, 3/4, 1/5, 2/5, 3/5, 4/5). For illustrative purposes, assume father earns \$60,000 and mother earns \$40,000 of the combined adjusted gross income of \$100,000. Father's share of the combined income is 3/5. If father earned \$30,000 and mother earned \$20,000, then 3/5 would still be the fraction with a denominator of 5 or less that comes closest to father's share of the parents' combined adjusted gross income. The dependency exemption shall therefore be allocated utilizing this fraction. If a parent otherwise entitled to the dependency exemption would derive no tax benefit from claiming it in any given tax year, then the entire exemption for that tax year,</p>	Moved to Section III(D)

		<p>and not just the share indicated by the preceding sentence, may be allocated to the parent who would derive a tax benefit for that tax year. An Internal Revenue Service Form 8332 may need to be signed and filed with a parent's income tax return.</p> <p>The court may deny the right to a present or future tax exemption when a history of non-payment of child support exists. The allocation of the exemption may be conditioned upon payment by December 31 of the total court-ordered monthly child support obligation for the current calendar year and any court-ordered arrearage payments due during that calendar year for which the exemption is to be claimed. If these conditions have been met, the custodial parent will need to execute the necessary Internal Revenue Service form (Form 8332) to transfer the exemption. If the noncustodial parent has paid the current child support, but has not paid the court-ordered arrearage payments, the noncustodial parent shall not be entitled to claim the exemption.</p> <p>EXAMPLE: Noncustodial parent's percentage of gross income is approximately 67% (2/3) and custodial parent's percentage is approximately 33% (1/3). All payments are current. If there are three children, the noncustodial parent would be entitled to claim the exemption for two children and the custodial parent would be entitled to claim the exemption for one child. If there is only one child, the noncustodial parent would be entitled to claim the child two out of every three years, and the custodial parent would claim the child one out of every three years.</p>	
--	--	--	--

			For purposes of this section only, a noncustodial parent shall be credited as having paid child support that has been deducted on or before December 31 pursuant to an order of assignment if the amount has been received by the court or clearinghouse by January 15 of the following year.	
154	Section IV(G) Arrears	23	28.G. CHILD SUPPORT ARREARS	
155	Section IV(G)(1) Arrears	23	A.1. When setting or modifying an the amount for a of an arrears payment on arrears, the court should shall take into consideration that interest accrues on the principal balance balance all relevant considerations including the total amount of arrears, the accruing interest, the time it will take the obligor to pay these amounts, the obligee's financial circumstances, support of other children, and the obligor's reasonable ability to pay. If the The court shall not sets a the payment on arrears at an amount less than the amount of the accruing monthly interest; unless there are compelling the court shall make a finding why the amount is less than the accruing monthly interest. Upon a showing of substantial and continuing changed circumstances, the court may adjust the amount of payment on arrears justifying a lower payment and the court makes a finding explaining why the lower payment is justified.	Sentence moved to Section IV(G)(3)
156	Section IV(G)(2) Arrears	23	B.2. When a current child support obligation terminates, before adjusting the order of assignment to an amount less than the current child support amount and the payment on arrears, the court shall consider the total amount of the monthly child support obligation arrears and the accruing interest, and at the time of termination as evidence of the	

			amount that it will take the obligor has the ability to pay monthly toward these amounts arrears.	
157	Section IV(G)(3) Arrears	23	<u>3. the court may modify the amount of the payment on arrears</u> Upon upon a showing of substantial and continuing changed circumstances, the court may adjust the amount of payment on arrears.	
158	Section IV(G)(4) Arrears	23	4. In setting or modifying the arrearage payment, the court shall consider whether the obligor's available income after payment of all current child support obligations and payments on arrears meets the self-support reserve test.	
159			29. EFFECTIVE DATE AND GROUNDS FOR MODIFICATION A. Except for defaults or as otherwise agreed upon by the parties, all child support orders entered after May 31, 2011 shall be made pursuant to these guidelines, whether they be original orders or modifications of pre-existing orders, unless the court determines otherwise based on good cause shown. In cases of default, the guidelines in effect at the time of filing the action will be used. The parties may agree to use either the guidelines in effect at the time of filing the action or those in effect at the time the order is entered. B. A substantial variance between an existing child support order and an amount resulting from application of the new guidelines may be considered evidence of a substantial and continuing change of circumstances for purposes of a modification. A variance of at least 15% would be evidence of a substantial and continuing change of circumstances.	Moved to Section I(C)(2).
	Section	Page	Proposed Language	Comments
160	Section V Modification and Termination of	24		

	Support		
161	Section V(A) Duration and Termination of Child Support	24	<p>4.A. DURATION AND TERMINATION OF CHILD SUPPORT</p> <p>Duration of child support is governed by Arizona Revised Statutes, Sections A.R.S. § 25-320 and A.R.S. § 25-501. z except as provided in Arizona Revised Statutes, Section 25-1304. Child support shall continue until a child reaches the age of majority unless that child is attending high school or a certified high school equivalency program at the time that the child turns 18. In that case, child support shall continue so long as the child is actually attending high school or the equivalency program, but only until the child reaches 19 years of age. In some circumstances, child support may continue after a child's 19th birthday but only if the child is severely mentally or physically disabled as demonstrated by the fact that the child is unable to live independently and be self-supporting.</p>
162		24	<p>Upon entry of an initial or modified child support order, the court shall, or in any subsequent action relating to the child support order, the court may, establish a presumptive date for the termination of the current child support obligation. The presumptive termination date shall be child support obligation presumptively terminates on the last day of the month of the 18th birthday of the youngest child included in the order unless the court finds that it is projected that the youngest child will not complete high school by age 18. In that event, the presumptive termination date shall be the last day of the month in which the child graduates from high school, stops attending high school, or turns age 19, of the anticipated graduation date or age 19, whichever occurs first. The administrative income withholding order issued by the</p>

		<p>department or its agent in <u>In non-Title IV-D cases, the presumptive termination date should be included in and an Order of Assignment order of assignment. issued by the court shall include the presumptive termination date. The presumptive date may be modified upon changed circumstances. HOWEVER, THE ORDER OF ASSIGNMENT OR INCOME WITHHOLDING ORDER MAY NOT STOP AUTOMATICALLY. IN THAT EVENT, A MOTION TO STOP THE INCOME WITHHOLDING ORDER MAY BE NECESSARY. IN A TITLE IV-D CASE, THE PERSON PAYING SUPPORT MAY CONTACT THE DEPARTMENT OF ECONOMIC SECURITY, WHICH CAN ADMINISTRATIVELY STOP THE INCOME WITHHOLDING ORDER.</u></p>
163	24	<p>An employer or other payor of funds honoring an Order of Assignment <u>order of assignment</u> or an administrative income withholding order that includes the presumptive termination date and is for current child support only, shall <u>may</u> discontinue withholding monies after the last pay period of the month of the presumptive termination date. If the Order of Assignment <u>order of assignment</u> or administrative income withholding order includes current child support and arrearage payment, <u>notwithstanding the presumptive termination date,</u> the employer or other payor of funds shall continue withholding the entire amount listed on the Order of Assignment <u>order of assignment</u> or administrative income withholding order until further order. For purposes of determining the presumptive termination date, it is further presumed that :</p> <p>A.1.- That a <u>A child not yet in school will enter 1st grade if the child reaches age 6 on or before September 1 of the year</u></p>

			<p>in which the child reaches age 6; otherwise, it is presumed that the child will enter 1st grade the following year; and, B.2. <u>That a A child will graduate in the month of May after completing the 12th grade.</u></p>
164		24	<p>Even if a child support obligation has stopped, an order of assignment may not terminate. If the order of assignment does not stop, a specific order stopping the wage assignment must be obtained. In a Title IV-D case, the wage assignment may be stopped by contacting the IV-D agency.</p>
165	Section V(B) Effect of Emancipation	25	<p>25.B. EFFECT OF CESSATION OF CHILD SUPPORT FOR ONE CHILD-EMANCIPATION If child support <u>is ordered</u> for more than one child, was ordered under these guidelines and thereafter the duty to support one of the children stops, the order is <u>the amount of child support does not automatically reduced by that child's share change if one of the children graduates from high school, reaches the age of majority, dies, or is otherwise emancipated.</u> To obtain a modification to <u>of</u> the child support order, a request, petition or agreement <u>must be made in writing to the court to recalculate the child support obligation pursuant to these guidelines. The procedure specified in Section 24 may be used for this purpose.</u></p>
166		25	<p>EXAMPLE: The child support order for Combined Adjusted Gross Income of \$1,500, with four children is \$629. One child graduates from high school and turns 18. In determining the new child support amount, do not deduct one fourth of the order for a new order of \$472. Instead, determine a new child support order by applying the guidelines. (NOTE: This method varies from the one used in Section 9.B.4).</p>
167	Section V(C) Modification	25	<p>24.C. MODIFICATION</p>

			Child support orders can be modified only by court order. An order to modify child support can be obtained through any of the following procedures:
168		25	<u>A.1. STANDARD PROCEDURE</u> Pursuant to Arizona Revised Statutes Sections <u>A.R.S. § 25-327 and § 25-503</u> , either parent or the state Title IV-D agency may ask the court to modify a child support order upon a showing of a substantial and continuing change of circumstances.
169		25	<u>B.2. SIMPLIFIED PROCEDURE</u> Either parent or the state Title IV-D agency may request the court to modify a child support order if application of the guidelines results in an <u>a final support order that varies 15% or more from the existing amount</u> final support order . A fifteen percent <u>15% variation in the amount of the order will be considered evidence of substantial and continuing change of circumstances.</u> The simplified procedure also may be used by either parent or the state to establish a cash medical support order or to modify a child support order to assign or alter the responsibility to provide medical insurance for a child who is subject of a child support order. A modification of the medical assignment or responsibility does not need to vary by 15% or more from the existing final support order to use the simplified procedure. A request for modification of the child support amount must be accompanied by the following documents: a completed and sworn "Parent's Worksheet for Child Support Amount," <u>parent's worksheet for child support amount, and "Affidavit of Financial Information" (see Section XIV, Rule 97, ARFLP, Form 2) documentation supporting the incomes if different from the court's most recent findings regarding income of the parents including,</u>

			<p>without limit, copies of the last three years' tax returns filed by or on behalf of the applicant and/or any entity in which the applicant has an interest and the last six payroll stubs for the applicant); the last child support order entered by the court; evidence of whether the applicant, if the child support obligor, has paid child support for the past 12 months; and evidence of every category of adjustment within the child support worksheet (i.e., insurance expense, education expense, etc.). <u>If the party requesting the modification applicant is unable to provide documentation supporting regarding the other party's parent's income or expenses, the requesting party shall indicate that the income amount for that parent is attributed/ or estimated and state shall set forth the basis for the amount listed relied upon to include that income or expense figure. The state Title IV-D agency may submit a parent's worksheet.</u></p>
170		25	<p>The simplified procedure shall not applicable to any self-employed parties where self-employment is a significant source of income absent the agreement of both parents. If a self-employed parent files a simplified modification action, the other parent shall either file a request for hearing or an objection to simplified process within the same time allowed to that parent to request a hearing. If the objection is timely filed, the modification matter shall be heard under the standard procedure.</p>
171		26	<p>If a responding party objects in writing to the simplified procedure within 20 days after service (if served in state), or 30 days after service (if served out of state), the matter shall be conducted under the standard procedure.</p>

172			Moved from paragraph 24.B and stricken.
173		26 <u>A copy of the request for modification of child support and the "Parent's Worksheet for Child Support Amount," parent's worksheet for child support amount, including supporting documentation, showing that the proposed child support amount would vary 15% or more from the existing child support order shall be served on the other parent, or on both parents if filed by the state Title IV-D agency, pursuant to Rule 27, Arizona Rules of Family Law Procedure (ARFLP).</u>	
174		26 <u>If the requested modification is disputed, the parent disputing the modification receiving service must request a hearing within 20 days of after service. If service is made outside the state, as provided in Rule 42, ARFLP, the parent receiving service must request a hearing within 30 days of after service.</u>	
175		26 <u>A party requesting a hearing or objection to simplified process shall file a written request for hearing or objection accompanied by a completed and sworn "Parent's Worksheet for Child Support Amount." Parent's worksheet for child support amount. Copies of the documents filed, together with the notice of hearing or objection, shall be served on the other party and, if appropriate, the state Title IV-D agency by first class mail not less than ten 10 judicial days prior to the hearing.</u>	
176		26 <u>Upon proof of service and if no hearing is requested within</u>	

			<u>the time allowed, the court will review the request and enter an appropriate order or set the matter for hearing.</u>
177		26	<p><u>If any party requests a hearing within the time allowed, the court shall conduct such hearing. No order shall be modified without a hearing if one is requested.</u></p> <p><u>The notice provision of Rule 44, ARFLP, does not apply to this simplified modification procedure.</u></p>
178		26	<p><u>A request to modify child support, request for a hearing and notice of hearing, "Parent's Worksheet for Child Support Amount" parent's worksheet for child support amount and child support order filed or served pursuant to this subsection must be made using forms approved by the Arizona Supreme Court or substantially similar forms.</u></p> <p><u>Approved forms are available from the Clerk clerk of the Superior Court superior court.</u></p>
179		26	<p>3. BY AGREEMENT</p> <p>The parties may agree to modify a final support order. To become effective, the agreement must be in writing, signed by all parties, filed with the clerk of court, and approved by the court. If the agreed-upon amount is different from the amount calculated under the guidelines, it must be explained as required by Section IV(A) above.</p>