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## Quick Facts: Intercepting Gambling Winnings

**This Quick Facts guide provides information about how states have implemented laws to intercept gambling winnings for payment of child support.**

The Child Support Program<sup>1</sup> is a successful federal-state-tribal partnership that seeks to promote economic stability for children whose parents live apart. The program collects \$5.06 for every \$1 in public funds invested. In FY 2019, \$32 billion was collected in 13.6 million cases for 14.3 million children.<sup>2</sup>

Federal legislation requiring gambling intercepts would increase support to families who depend on child support to remain self-sufficient. Many states now have state sanctioned casinos and pari-mutual betting on horse or dog races and have enacted legislation requiring casinos and racetracks to check a registry provided by the child support agency to ensure that the winner does not owe child support arrears prior to payout.

States often use a trigger of the requirement to file an Internal Revenue Service (IRS) W-2G form. If it is found that the person owes past due child support, the amount of the jackpot up to the amount of past due child support is withheld and sent to the child support agency. In some states, casinos and racetracks withhold a small amount of winnings to offset their cost to conduct the intercept.

Some examples:

- **Arizona:** Collections 2018 – February 2021 = \$220,374.
- **Colorado:** \$5,107,779 intercepted July 2008 through December 2020.
- **Illinois:** \$2,927,276 collected from 1360 intercepts from 915 obligors from 2014 through March 31, 2021.
- **New Mexico:** Does not have a registry but rather provides a list of delinquent obligors monthly and requires that the winner sign a “verification” of winnings. Total collection from 2009 – March 2021 = \$514,329.
- **Iowa:** Collected approximately \$79,000 per month, or \$5,063,063 total, from November 2015 – February 2021. Recent Iowa legislation enables the intercept of sports gambling winnings.
- **Indiana:** \$6.9 million from September 2010 to December 2020 in collections.
- **North Dakota:** 2018 to February 2021 total collections = \$30,294.
- **Louisiana:** Since the pilot program began in September 2011, Louisiana has made 6,448 casino interceptions totaling \$8,895,857 as of September 2020.
- **Maine:** Collections 2013 through 2020 = \$716,922.





- **North Carolina:** Collections December 2017 through February 2021 = \$551,144 from lottery winnings.

To increase child support collections nationwide, Congress should require all casinos and racetracks that have pari-mutual betting to intercept winnings based on the IRS W2-G filing thresholds.

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<sup>1</sup> Created by Title IV-D of the Social Security Act.

<sup>2</sup> [https://www.acf.hhs.gov/sites/default/files/documents/ocse/fy\\_2019\\_preliminary\\_data\\_report.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ocse/fy_2019_preliminary_data_report.pdf)

