

Quick Facts: Income Withholding

This Quick Facts guide provides information about the income withholding process for the collection of child support obligations.

The Child Support Program¹ is a successful federal-state-tribal partnership that seeks to promote economic stability for children whose parents live apart. The program collects \$4.37 for every \$1 in public funds invested. In FY 2023, \$31 billion was collected in 12 million cases for 12.7 million children.²

Income withholding is an efficient and effective enforcement tool for collecting child support obligations, resulting in increased compliance with these legal obligations. An income withholding order/notice is an order from a court or administrative agency to an employer or payor of income to deduct the child support obligation from the parent's wages. In addition to the current support obligation, the specified amount may also include an amount to cover a cash medical obligation, or to repay past-due support obligations, birth costs, and other court-ordered obligations. The amount of income that may be withheld from a parent's income is limited by the Consumer Credit Protection Act. Income withholding orders are valid across state lines and must be honored throughout the United States (US) and the US territories. Income withholding orders have priority over all debts except for federal tax levies and must be paid before honoring any other garnishment.

- In 1984, Congress modified Title IV-D of the Social Security Act to require states to use income withholding as a method for enforcing child support obligations.³ Congress required states to initiate the income withholding procedure when a parent became delinquent in paying the court or administratively ordered support. The threshold for delinquency that would trigger the procedure was the amount of the monthly obligation.
- Congress and the states quickly recognized the effectiveness of the income withholding procedure. In 1988, Congress enacted legislation that required states to implement "immediate income withholding" without regard to whether there was a delinquency in the child support payments.⁴ This requirement remains in place.
- Of all methods used for enforcing child support obligations, income withholding has consistently been the most effective.

¹ Created by Title IV-D of the Social Security Act.

² Office of Child Support Services (OCSS) FY 2023 Preliminary Report

³ Child Support Enforcement Amendments of 1984 (P.L. 98-378)

⁴ Family Support Act of 1988 (PL 100-485)



- The Office of Child Support Services (OCSS) and the state child support agencies collaborated with employers to develop a simple and uniform income withholding process. Key components of the process are (1) a uniform employer notice form that is used across the country and (2) a centralized disbursement unit in each state, where employers send all support payments. As a result, most employers have been very cooperative in the implementation of income withholding.
- Efforts are on-going to streamline and automate the income withholding process. For example, in 2004, OCSS initiated the Electronic Income Withholding Order (e-IWO) project to enable states and employers to electronically transmit income withholding documents and to allow employers to transmit status information to the state agencies.
- OCSS and several states have created online, interactive portals for employers to report events that impact income withholding, such as termination of employment and lump sum and bonus payments.
- In FY 2023, child support payments of over \$31 billion were collected through different methods of collection, such as income withholding, unemployment compensation interception, and State or Federal tax refund offsets. Of these collections, over 70% were collected through income withholding.⁵

Successful implementation of income withholding continues to be aided by the cooperation and collaboration between OCSS, state child support agencies, state courts, and employers. As a result of income withholding, a significantly increased number of families receive the financial support to which they are entitled.

⁵ Office of Child Support Services FY 2023 Preliminary Report, Table P-28

