Employer's Guide

epics

Employer's Partnering in Child Support

Contacting the Department of Human Services (DHS) at the Employers Partnering in Child Support (EPICS) Office

Child Support Recovery Unit (CSRU)

Employers Partnering in Child Support (EPICS)

PO Box 7201

Waterloo, IA 50704-7201

Telephone: 1-877-274-2580

Fax: 319-226-7150

E-Mail: csrue@dhs.state.ia.us

Interactive web site: http://epics.dhs.state.ia.us

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May 2000

Dear Employer:

The Child Support Recovery Unit (CSRU) recognizes the crucial role employers play in collecting child support payments through income withholding, in enforcing health insurance, and in reporting new hires and rehires. Thank you for withholding and sending support payments to the Collection Services Center and for your cooperation in enrolling children in health insurance and in reporting employees to the Centralized Employee Registry. Because of your efforts, children of your employees are receiving support and health insurance more often.

To assist employers and others who withhold income for support and enforce health insurance, we are pleased to introduce the Employers Partnering in Child Support (EPICS) office. EPICS was created to foster an alliance between the Child Support Recovery Office and employers by creating an avenue for effective and frequent communication. EPICS provides a central point of contact for employers to get answers to questions, and is dedicated to serving employers by providing clear, reliable information. Staff are available by telephone, e-mail, fax, or through a web site designed to handle employer concerns, such as:

- ✓ reporting new employees to the Centralized Employee Registry (CER)
- ✓ income withholding
- ✓ medical support
- ✓ responding to requests for information
- ✓ responding to requests for other states

Included in this guide are responses to frequently asked questions regarding new hire reporting, income withholding, and dependent health insurance. Please take a few minutes to read this information. As always, if you need specific legal advice on these topics, please consult your attorney. Understanding your responsibilities and completing the forms correctly helps EPICS better serve Iowa's children and families.

Thank you for all you do to support children and their families.

Sincerely,

Nancy Thoma

Nancy Thoma
Chief, Bureau of Collections
Iowa Department of Human Services

What is EPICS?

Employers Partnering in Child Support (EPICS) is a part of the Iowa Department of Human Services' Child Support Recovery Unit. The Child Support Recovery Unit also includes the Specialized Customer Service Unit (SCSU), the Collection Services Center (CSC), and the Centralized Employee Registry (CER).

EPICS links the employer community to Iowa's CSRU. EPICS serves as a single point of contact for employers to obtain answers to their questions about child support. The EPICS unit provides specialized functions that include the enforcement of both income withholding and court ordered medical support. Employment and health insurance questionnaires are also handled through the EPICS unit.

The EPICS web site was created to assist you in your child support responsibilities, by providing a way to report information and receive enforcement forms electronically rather than through the mail. However, to receive forms electronically you must register on the site. The web site includes easy to follow instructions to help you use the features and provides tips on how to make the best use of what the web site has to offer. You may access the EPICS web site at:

http://epics.dhs.state.ia.us

New Hire Reporting

Federal and State law require employers to report newly hired and rehired employees to a central registry. New hire reporting and the Centralized Employee Registry (CER) were created to help state child support agencies do two things (1) locate parents who owe support, and (2) speed up the payment of support through income withholding. New hire reporting to the registry has been successful in meeting these objectives. The section below explains how new hire reporting works in Iowa. It also explains the employer's responsibilities for reporting new hires and rehires.

How to Report New Hires

What is the Centralized Employee Registry (CER)?

The CER is a computer database that keeps track of newly hired and rehired employees and contractors in Iowa. The information you provide to the CER helps streamline the process of withholding child support payments from the income of employees and contractors.

How do I report employees and contractors to the CER?

You may use copies of the forms in this guide, computer printouts containing the same information as the forms, computer reels, or computer cartridges. The information on the file layout for reels and cartridges is shown later in this guide. You may also report new hires through the CER web site at:

http://icer.dhs.state.ia.us/

Where should I send CER information?

Send CER reports to the address or facsimile numbers below.

✓ Send CER forms, Contractor Reporting forms, computer printouts, and reel and cartridge tapes to:

CER
PO Box 10322
Des Moines, IA 50306-0322

✓ Fax forms to:

1-800-759-5881
or
515-281-3749 (local calls)

✓ Submit reports online at:

http://icer.dhs.state.ia.us/

Who and When to Report

What are the requirements for reporting employees?

You must report the employee hire or rehire within 15 days of the hire or rehire date. If reporting by magnetic tape or electronically, you may report through transmissions which are not less than 12, nor more than 16 days apart.

What are the requirements for reporting contractors?

Report contractors within 15 days of the date on which BOTH of the following conditions are met:

1. Payment to the contractor under an agreement/contract occurs more frequently than a lump sum payment paid once in a calendar year; and

2. A single payment for at least one of the agreements/contracts between the payor and contractor is issued to the contractor in an amount which exceeds what is required for 1099-MISC filing (currently $600).

If reporting by magnetic tape or electronically, you may report through transmissions which are less than 12, nor more than 16 days apart.

Once you have reported a contractor to CER, you are not required to report the same contractor again.

What is the definition of "contractor" for the purpose of new hire reporting?

A contractor is someone:

- ✓ Who is 18 years of age or older;
- ✓ Who performs labor in Iowa and to whom a payor of income makes payments which are not subject to income withholding for child support;
- ✓ For whom the payor of income is required by the IRS to file a 1099-MISC form (the current 1999 dollar amount required for filing the 1099-MISC is $600 or over); and
- ✓ Who is a natural, individual person, NOT a corporation, government, business trust, estate, partnership, or other legal entity, however organized.

What is the definition of "employee" for the purpose of new hire reporting?

An employee is someone:

- ✓ Who performs labor in Iowa and is employed by an employer in Iowa for compensation;
- ✓ For whom compensation is withheld for federal or state tax liabilities by an employer; and
- ✓ Who is a natural person which is an individual, NOT a corporation, government, business trust, estate, partnership, proprietorship, or other legal entity, however organized.

What is meant by "rehire" for the purpose of new hire reporting?

An employee is considered to be rehired on the first day on which the

employee is owed compensation by the employer following a termination of employment lasting a minimum of six consecutive weeks.

Unpaid medical leave, unpaid leave of absence, and temporary layoff do not count as termination of employment. Termination of employment means the employer no longer provides income to the employee, and the employer does not intend to provide income to the employee again in the future.

Should I report employees from a temporary employment agency that work for me?

If you hire workers from a temporary agency, it is the responsibility of the temporary agency to report the new employee to CER.

Completing the CER Form for Employees and Contractors

Who should complete the CER form?

You or your staff should complete the form. If an accounting or payroll firm completes the form, the actual employer's name must be listed under the employer section.

What information should be completed on the form?

Complete all of the information for both the employer and the employee sections for each individual reported.

How do I answer question "A" which asks, "Is dependent health insurance available"?

If your company has a family health insurance policy available to the employee, regardless of the cost of the employee, check "yes." if not, check "no."

Should I complete both the employee and contractor forms on each individual I report?

Complete only one or the other, never both.

Is the date of birth required when I report a contractor?

The contractor's date of birth is required only when you know it. You do not have to ask for this information if the contractor does not provide it.

What record layout should I use if I want to report employees and contractors electronically?

Following are the input record characteristics (for both reel and cartridge tapes) and lengths for the transfer of data to the Centralized Employee Registry:

Input characteristics for REEL tapes:

-Data Set Name:	CER.Report
-Configuration:	IBM, 9-track, odd parity
-Character Code:	EBCDIC
-Recording Density:	1600 or 6250 BPI
-Format:	IBM Standard Format
-Record Size:	250
-Blocking Factor:	49
-Block Size:	12250

Input characteristics for CARTRIDGE Tapes:

-Data Set Name:	CER.Report
-Configuration:	IBM, 3480 18-track compatible
-Character Code:	EBCDIC
-Format:	IBM Standard Format
-Record Size:	250
-Blocking Factor	49
-Block Size:	12250

POSITION	FIELD NAME	LENGTH	FIELD TYPE	REMARKS
1	**'A' Employer Data**	01	A	"A" identifies employer data
2-33	Employer name	32	A/N	
34-65	Employer address-1	32	A/N	mailing address
66-97	Employer address-2	32	A/N	
98-113	Employer city	16	A	
114-115	Employer state	02	A	2-letter state abbreviation
116-120	Employer Zip code-1	05	N	5-digit ZIP code
121-124	Employer Zip code-1	04	N	4-digit ZIP code- enter zeros if unknown
125-136	Employer federal ID	12	N	Number assigned by the federal government + 3-digit Iowa suffix
137-168	Employer IW address-1	32	A/N	Address where income withholding forms to be sent - leave 137 - 227 blank if same as 34-124
169-200	Employer IW	32	A/N	
201-216	address-2 Employer IW	16	A	
217-218	city Employer IW	02	A	
219-223	state	05	N	5-digit ZIP code
224-227	Employer Zip code-2	04	N	4-digit ZIP code- enter zeros if unknown
228-237	Employer telephone number	10	N	3-digit area code and 7-digit telephone number
238-250	Filler		A/N	Additional space

POSITION	FIELD NAME	LENGTH	FIELD TYPE	REMARKS
1	**'C' Payor of Income Data**	01	A/N	"C" identifies payor of income data
2-11	Payor of income telephone number	10	N	3-digit area code and 7-digit telephone number
12-23	Payor of income federal ID number	12	N	Employee number assigned by federal government + 3-digit Iowa suffix
24-55	Payor of income name	32	A/N	
56-87	Payor of income address	32	A/N	Mailing address-line 1
88-119	Payor of income address	32	A/N	Street address-line 2
120-135	Payor of income city	16	A/N	
136-137	Payor of income state	02	A/N	2-letter state abbreviation
138-142	Payor of income Zip code-1	05	N	5-digit ZIP code
143-146	Payor of income Zip Code-2	04	N	4-digit ZIP code enter zeros if unknown
147-250	Filler		A/N	

Iowa Department of Human Services

Centralized Employee Registry
Contractor Reporting

PAYOR OF INCOME:

Telephone Number:

___ - ___ - ____
(Area Code + Telephone Number)

Federal ID Number:

__ - _____ - ___
(FEIN plus 3-digit Iowa location suffix)

Name:

Street Address:

City: **State:** **Zip:** -

Date of Contracted Service: __ - __ - ____
Month Day Year

IA W4 INSTRUCTIONS (01/00)

TOP PORTION OF FORM: EMPLOYER REPORTING REQUIREMENTS

An employer doing business in Iowa who hires or rehires an employee after 1/1/94 **must** complete this section. Mail the top portion of the form within 15 days of the hire or rehire date to: Centralized Employee Registry, P.O. Box 10322, Des Moines IA 50306-0322. Or fax the form to: 1-800-759-5881. **If you have questions about Employer Reporting Requirements, please call the Centralized Employee Registry at 515/281-5331.**

Questions A through D

A. Is a family health insurance plan offered through employment? This question does not relate to insurability of employee's dependents.

B. Example: Is dependent insurance coverage offered upon hire or after six months of employment? This question does not relate to insurability of employee's dependents.

C. Indicate the first day for which the employee is owed compensation.

D. This information is needed for income withholding and garnishment purposes.

BOTTOM PORTION OF FORM: EMPLOYEE WITHHOLDING ALLOWANCE CERTIFICATE (Detach this part and keep for the employer's records.)

Exemption from Withholding: You should claim exemption from withholding if you are a resident of Iowa and do not expect to owe any Iowa income tax or expect to have a right to a refund of all income tax withheld. If you qualify, write "EXEMPT" and the year exempt status is effective. Exempt guidelines are: (1) You are exempt if you will earn $4,000 or less and are claimed as a dependent on another person's return, or (2) You are exempt if you will earn $9,000 or less and are not claimed as a dependent on another person's return. See your payroll officer to determine how much you expect to make in a calendar year. You must complete a new W4 within 10 days from the day you anticipate you will incur an Iowa income tax liability for the calendar year (or your fiscal year) or on or before December 31 if you anticipate you will incur an Iowa income tax liability for the following year. If you want to claim an exemption from withholding next year, you must file a new W4 with your employer on or before February 15.

FILING REQUIREMENTS/NUMBER OF ALLOWANCES

Each employee must file this Iowa W4 with his/her employer. Do not claim more allowances than necessary or you will not have enough tax withheld.

1. Personal Allowances: You can claim the following personal allowances:

- 1 allowance for yourself or 2 allowances if you are unmarried and eligible to claim head of household status, 1 allowance if you are 65 or older, and 1 allowance if you are blind.
- If you are married and your spouse either does not work or is not claiming his/her allowances on a separate W4, you may also claim the following allowances: 1 for your spouse, 1 if your spouse is 65 or older, and 1 if your spouse is blind.
- If you are single and hold more than one job, you may not claim the same allowances with more than one employer at the same time. If you are married and both you and your spouse are employed, you may not both claim the same allowances with both of your employers at the same time.
- To have the highest amount of tax withheld, claim "0" allowances on line 1.

2. Allowances for Dependents: You may claim 1 allowance for each dependent you will be able to claim on your Iowa income tax return.

Centralized Employee Registry Reporting Form

Please Print or Type

Mail this portion of the page to Centralized Employee Registry, PO Box 10322, Des Moines IA 50306-0322; or fax it to 1-800-759-5881.

EMPLOYER INFORMATION

(_____) _____ – _____

Phone: Area Code + Telephone Number

___ – _____ – ___

FEIN plus last 3-digit suffix as shown on your Iowa label or return.

Name: _____

Street Address: _____

_____

City: _____ State: ___ Zip Code: _____ – ____

Questions: For A through D below, please see instructions on back for definitions and clarification.

A. Is dependent health care available? Yes ☐ or No ☐

B. Approximate date this employee qualifies for coverage: ___ ___ ____ (MM DD YYYY)

C. Employee start date: ___ ___ ____ (MM DD YYYY)

D. Address where income withholding and garnishment orders should be sent, if different than above address.

Street Address: _____

_____

City: _____ State: ___ Zip Code: _____ – ____

EMPLOYEE INFORMATION

_____ – Social Security Number: ___ – ___ – ____

MM DD YYYY

Last Name: _____ First Name: _____ Middle Initial: _____

Street Address: _____

_____

City: _____ State: _____ Zip Code: _____

IOWA
department of Revenue and Finance

IA W4 2000

Employee Withholding Allowance Certificate

Employers: Detach this part and keep in your records unless more than 22 withholding allowances are claimed.
See Employer Withholding Requirements on the back of this form.

EMPLOYEE ONLY

Marital status: ☐ Single ☐ Married (If married but legally separated, check Single.)

Print your full name: _____ Social Security No.: _____

Home Address (No. and St. or RR) _____ City _____ State ____ Zip Code _____

EXEMPTION FROM WITHHOLDING. If you do not expect to owe any Iowa income tax this year, and expect to have a right to a full refund of ALL income tax withheld, enter "EXEMPT" here: _____ and the year effective here: _____

If you are not exempt, complete the following:

1. Personal allowances ..... 1. _____
2. Allowances for dependents ..... 2. _____
3. Allowances for itemized deductions ..... 3. _____
4. Allowances for child and dependent care credit ..... 4. _____
5. Total allowances. Add lines 1 through 4. ..... 5. _____
6. Additional amount, if any, you want deducted each pay period ..... 6. _____

I certify that I am entitled to the number of withholding allowances claimed on this certificate, or if claiming an exemption from withholding, that I am entitled to claim the exempt status.

Employee Signature _____ **Date** _____

Employer: Complete 8 and 9 below only if you are sending this part to the Iowa Department of Revenue and Finance because the employee is claiming more than 22 total allowances.

Employer's name and address _____ FEIN _____

(a) Enter total amount of estimated itemized deductions ..... (a) $ _____

(b) Enter amount of your standard deduction using the following information ..... (b) $ _____

If single, married filing separately on a combined return or married filing separate returns, enter $1,470.

If married filing a joint return, unmarried head of household or qualifying widow(er), enter $3,630.

(c) Subtract line (b) from line (a) and enter the difference or zero, whichever is greater ..... (c) $ _____

(d) Additional allowance: Divide the amount on line (c) by $600, round to the nearest whole number and enter on line 3 of the IA W4 on other side.

4. Allowances for Child/Dependent Care Credit: Persons having child/dependent care expenses qualifying for the Federal and Iowa Child and Dependent Care Credit may claim additional Iowa withholding allowances based on their net incomes. If you have qualifying child and dependent care expenses and wish to reduce your Iowa withholding on the basis of this credit, you may claim additional withholding allowances for Iowa based on the following table. Married persons, regardless of their expected Iowa filing status, must calculate their withholding allowances based on their combined net incomes. Note that if net income is $40,000 or more, no withholding allowances are allowed for the Child and Dependent Care Credit as taxpayers with these incomes are not eligible for the Iowa Child and Dependent Care Credit.

Withholding Allowances Allowed

Iowa Net Income	Allowances
$0 - $20,000	5
$20,000- $30,000	4
$30,000 - $39,999	3

Enter the number of allowances on line 4 of the IA W4 on the reverse side. If you are married and both you and your spouse are employed, the total allowances for child and dependent care that you and your spouse may claim cannot exceed the total allowances shown to the left.

5. Total: Enter total of lines 1 through 4.

6. Additional Amount of Withholding Deducted: If you are not having enough tax withheld from your pay, you may request your employer to withhold more by filling in an additional amount on line 6. Often married couples, both of whom are working, and persons with two or more jobs need to have additional tax withheld. You may also need to have additional tax withheld because you have income other than wages, such as interest and dividends, capital gains, rents, alimony received, etc. Estimate the amount you will be under-withheld, and divide that amount by the number of pay periods per year.

Changes in Allowances: You may file a new W4 at any time if the number of your allowances INCREASES. You must file a new W4 within 10 days if the number of allowances previously claimed by you DECREASES.

Penalties: Penalties are imposed for willfully supplying false information or for willful failure to supply information which would reduce the withholding allowances. If you file as exempt from withholding and you incur an income tax liability, you may be subject to a penalty for underpayment of estimated tax.

Employer Withholding Requirements: The employer must maintain records of the certificates. If the employee is claiming more than 22 withholding allowances or is claiming exemption from withholding when wages are expected to exceed $200 per week, the employer must send a copy of the certificate under separate cover within 90 days to the Individual Unit, Examination Section, Compliance Division, Iowa Department of Revenue and Finance, P.O. Box 10456, Hoover State Office Building, Des Moines, Iowa 50306-0456. If you have questions about Iowa taxes, call 515-281-3114 or if calling from elsewhere in Iowa or from the Rock Island/Moline or Omaha calling areas, call toll free at 1-800-367-3388.

CONTRACTOR:

Date of Birth: ___ - ___ - ____
Month Day Year

Social Security Number: ___ - ___ - ____

Last Name:

First Name:

Middle Initial:

Street Address:

City:

State:

Zip: ___ - ____

Reporting Requirements:

Mail this form within 10 days of contract to:

Centralized Employee Registry
PO Box 10322
Des Moines IA 50306-0322

If you have questions regarding reporting requirements, or need an additional supply of this form, please call 515-281-5331.

POSITION	FIELD NAME	LENGTH	FIELD TYPE	REMARKS
1	**'D' Contractor Data**	01	A/N	"D" identifies contractor data
2-17	Contractor last name	16	A/N	
18-32	Contractor first name	15	A/N	
33-47	Contractor middle name	15	A/N	
48-55	Contractor date of birth	08	N	CCYYMMDD
56-64	Contractor social security	09	N	
65-96	number Contractor	32	A/N	
97-128	address-1 Contractor	32	A/N	
129-144	address-2 Contractor city	16	A/N	
145-146	Contractor	2	A/N	2-letter state abbreviation
147-151	state Contractor Zip	5	N	5-digit ZIP code
152-155	code-1 Contractor Zip code-2	4	N	4-digit ZIP code-enter zeros if unknown
156-163	Date service contracted	8	N	CCYYMMDD. First day the contractor is owed payment.
164-250			A/N	Additional space

How to Get CER Forms

How can I get employee and contractor forms?

You may call the Department of Revenue and Finance at:

1-800-367-3388 to receive forms by mail

1-800-532-1531 to receive bulk orders of forms by mail

1-800-572-3943 to receive forms by FAX

You may also ask for these forms by calling EPICS at 1-877-274-2580.

You can also photocopy the forms that are included in this brochure.

Comparing Iowa Law to the Federal Law

You may have received the New Hire Reporting brochure from the U.S. Department of Health and Human Services which explains changes in federal new hire law. **When state law differs from federal law, you must follow Iowa law regarding new hires.** Iowa and federal new hire law differ as follows:

✓ **Iowa requires you to report the hiring of contractors and subcontractors.** Federal law does not require to report contract hires.

✓ **Iowa requires you to report new hires within 15 days of the date of hire.** Federal law requires the reporting of new hires within 20 days.

✓ **Iowa requires you to report:**

- **employer's name, address, and federal identification number;**
- **employee's name, address, social security number, and date of birth;**

- **whether or not the employee has employment-related dependent health care coverage available;**
- **the date on which the employee qualifies for dependent health care coverage; and**
- **the address to which income withholding notices or orders should be sent.**

Federal law requires the reporting of the employer's name, address, and federal identification number and employee's name, address and social security number.

Verifying Income

May I charge for verifying income?

Title 45 of Code of Federal Regulations, section 303.30, requires CSRU to get employment and health insurance information about a non-custodial parent. There is no provision in federal or state law for CSRU to pay a fee to obtain this information, and there is no provision for employers to charge a fee for providing this information.

Income Withholding

Federal and state law require that if a parent owes child support, part of that parent's wages, periodic income, or other income must be withheld to pay support. The purpose of these laws is to guarantee timely and regular payment of child support. Income withholding is the most reliable method making sure support is paid. This section provides information about income withholding, including options for sending in the payments and what to do when you no longer employ the non-custodial parent.

General Information About Income Withholding

How do I know that I must withhold child support from an employee's income?

As an Iowa employer, you may receive a child support order or notice from:

- ✓ The EPICS office
- ✓ A local Iowa Child Support Recovery Unit
- ✓ A child support enforcement agency in another state
- ✓ Iowa District Court, through a private attorney

Iowa employers must honor all of these requests. If you get a withholding order from another source you may wish to consult with your attorney. The notice or order tells you how much to withhold from your employee for current support, delinquent support (arrears), or both. It tells you where and how to send payments and explains your rights and responsibilities.

Who must honor income withholding orders?

All payors of income must honor income withholding orders or notices. This includes all governmental subdivisions and agencies and any other person who must withhold income from a non-custodial parent to pay child support.

What kinds of income are subject to withholding?

Income must be withheld from wages, salaries, commissions, vacation pay, bonuses, worker's compensation, disability payments, payments from a pension or retirement program, and interest; a sole payment or lump sum; and irregular income.

Implementing Income Withholding

After I receive the notice, how soon must I begin to withhold child support from the employee?

You must begin to withhold income from the employee no later than the first pay period after ten days from the day you received the order or notice of the income withholding.

I am honoring my employee's request for a voluntary income withholding order. I received a mandatory income withholding notice from your office. Which should I honor?

Stop enforcement of the voluntary income withholding order and enforce the mandatory income withholding notice. A voluntary order cannot be used in place of a mandatory income withholding notice when there is a delinquency on a CSRU case.

How often must I send child support payments to the Collection Services Center (CSC)?

You must send the payments no later then seven business days from the date you pay your employee. A business day is a day on which state offices are open for regular business.

May I charge a fee for withholding and processing the child support payments?

Yes, You may deduct a fee of up to $2.00 for each payment to defray the cost of processing child support payments. The total amount withheld, including your fee, cannot exceed 50 percent of the employee's net disposable income. This is in compliance with the Consumer Credit Protection Act. If the fee plus the child support exceeds 50 percent, you may charge the entire $2.00 and make the child support payment less then the amount listed in the notice.

Sending Payments

Where do I send the support I withhold?

Federal and state law require each state to establish a centralized location, or state disbursement unit, to receive and distribute all support payments withheld under an income withholding notice. In Iowa, the Collection Services Center (CSC) is the centralized location for payment processing.

For income withholding notices received from Iowa offices, send payments to:

Collection Services Center
PO Box 9125
Des Moines, IA 50306-9125

Be sure to label the payments with the employee's name, case number, and the date withheld. The date withheld is the date which you determine that the withholding of the child support collection from the payment to the employee cannot be reversed. You may also send payments to CSC through Electronic Funds Transfer (EFT). Contact EPICS if you have questions or want more information about this alternative to mailing payments.

For information about an income withholding request from another state, see "Income Withholding Notices from Other States."

Does the clerk of court process any payments?

Yes, clerks of court continue to process the following payments:

✓ Attorney fees and property settlements

✓ Payments for support not collected by income withholding

✓ Support payments made by noncustodial parents who are self-employed

What are the penalties for not complying with an order/notice to withhold?

The penalty for not complying is a simple misdemeanor and includes the accumulated amount that should have been withheld, together with costs, interest, and reasonable attorney fee related to the collection of the amounts due.

What to do if the Pay Period Frequency Differs

What should I do if my pay periods are more or less frequent than the frequency in the income withholding notice?

You do not have to vary your payment cycle to match the frequency of child support payments required by income withholding notices or orders. Instead, withhold the required amounts and mail the withheld amounts on a schedule that matches your payment cycle. For example, if the notice or orders requires monthly child support payments and you pay employees weekly, send the withheld amounts weekly. The correct payment amounts for weekly, biweekly, semimonthly, and monthly are listed on the IWO notice.

If your pay period is more frequent that the frequency in the withholding notice, withhold a part of the amount due for each pay period. For instance, if the notice says to withhold $100 per month but you pay semi-monthly, you must withhold $50 from each pay period.

Conversion Chart
One monthly period equals:
4.33 weekly periods
2.0 semi-monthly periods
0.333 quarterly periods
2.17 bi-weekly periods
0.5 bi-monthly periods
0.167 semi-annual periods

If your pay period is less frequent than the frequency indicated in the notice, withhold enough to satisfy the amounts spanned by the pay period. For instance, if the notice says to withhold $50 semi-monthly but you pay monthly, withhold $100 from the monthly pay period. The conversion chart can help you determine the correct amount.

If you still have questions about the pay frequency, please call EPICS for additional help.

Income Withholding Notices from Other States

If I receive an income withholding order/notice from a child support agency in another state, must I send payments directly to the other state?

Yes, Under the Uniform Interstate Family Support Act all employers are required to honor income withholding orders from other states. Send payments requested by other states to the registry indicated on the notice sent by the state.

What else do I need to know about withholding under another state's order?

The Uniform Interstate Family Support Act contains the following provisions for income withholding:

✓ An agency in another state may send an income withholding order or notice directly to an employer in Iowa. As long as the order or notice of income withholding appears to be legitimate, you must honor the order or notice. All withholding orders and notices are required to be in a "standard" format. While forms may have a different overall appearance from state to state, they should contain all the information you need to withhold and mail payments. The following information should appear in the same order on all forms you receive:

1. Employee/Obligor's last name, first name, and middle initial (if known)
2. Employee/Obligor's social security number
3. Case identifier (or other identifier) used for recording the payment
4. Address to which payments are sent
5. Custodial parent's last name, first name, and middle initial (if known)

6. Child(ren)'s name(s) and date of birth listed in the support order
7. Name of state that issued the underlying child support order
8. Dollar amount to be withheld for payment of current child support
9. Time period that corresponds to the amount #8 (e.g., current support due per month)
10. Dollar amount to be withheld for payment of past-due child support
11. Time period that corresponds to he amount in #10 (e.g., past-due support due per month)
12. If any other amounts are to be withheld, the notice/order should indicate the corresponding time period (e.g., month)

Example 1:
Your main office is in Iowa and you do business through a registered agent located in Nebraska. Nebraska issues an income withholding notice for non-custodial parent who works for you in Nebraska. Because this person works in Nebraska, follow Nebraska's income withholding laws.

✓ You are required to provide a copy of the state's other withholding order or notice to the employee immediately upon receipt.

✓ If you fail to honor the other state's order or notice, the same penalties apply as if the order or notice had been issued by a court agency in Iowa.

✓ The employee may contest the other state's order or notice. If the employee tells you he or she wants to contest the other state's order or notice, the employee must send a letter to the agency that issued the order or notice. You should continue to withhold support payments until notified to change or stop withholding by the agency that issued the order or notice.

Example 2:
Your main office is in Iowa and you do business through a registered agent located in Nebraska. Nebraska issues an income withholding notice for a non-custodial parent who works for you in Iowa. Because this person works in Iowa, follow Iowa's income withholding laws.

If you do business and have registered agent in another state, and you or your registered agent receives an income withholding order or notice from the other state, follow the laws of the state where the employee works, as described in Examples 1 and 2.

Multiple Withholdings

What do I do when employees already have income withholdings against their paychecks?

Federal and state law require child support withholding to take priority over all other income attachments. You must withhold the required amount as long as it does not exceed 50 percent of the employee's net disposable income. The notice of income withholding explains how to determine net disposable income. You may need to discuss multiple withholding issues with your private attorney if you still have questions.

Example 3:

You have two withholding notices for a single employee with a net income of $328.

Withhold:

Notice A: $220 for current
Notice B: $180 for current

Total to withhold: $400 for current
$4 processing fee
($2 fee for each notice)

You determine that 50% of the net disposable income is $164. You keep a $4.00 processing fee. The remaining $160 pays a portion of the current support.

What should I do if an employee has multiple child support income withholding notices for amounts that exceed the 50% net income threshold?

By state law, you must withhold payments for the current support obligations before you withhold payments for delinquent obligations. However, the total amount of payments for current support, delinquent support, and the $2.00 fees cannot exceed 50% of the employee's net disposable income. If the child support amount in the notice plus the fee is greater than 50% of the employee's net disposable income, prorate the child support between the cases, giving priority to paying current support first, as described in Examples 3 and 4.

I have several employees with income withholding notices. May I combine all of their child support in one check?

Example 4:

You have two withholding notices for a single employee with a net income of $808.

Withhold:

Notice A: $200 for current
$100 for arrears
Notice B: $120 for current
$60 for arrears

Total to withhold: $320 for current
$160 for arrears
$4 processing fee ($2 fee for each notice)

You determine that 50% of the net disposable income is $404. You keep a $4.00 processing fee. The remaining $400pays all current support and a portion of the arrears.

Yes, you may combine all child support withholdings in one check as long as all payments are to be sent to the same location. If you combine the child support payments of several employees, you must identify each payment by the CSC account number, name of the employee, amount, and the date of withholding.

CSC also accepts Electronic Funds Transfer (EFT) payments. Please contact EPICS for further information about submitting your payments electronically.

Your Responsibilities to the Employee

What information must I give to the employee about withholding child support from the employee's earnings?

When you get an income withholding order or notice from another state, immediately provide a copy of the income withholding notice to the employee.

Note: If the withholding is from the state of Iowa, CSRU or District Court sends the notice to the non-custodial parent.

What should I do if the employee tells me that the income withholding notice is incorrect?

The law requires you to withhold child support from the employee's earnings until CSRU, the court, or the state that issued the withholding sends you a

notice that the income withholding order has ended. If the employee disputes the income withholding notice, the employee should contact the Specialized Customer Service Unit (SCSU), a private attorney, or file a motion to quash the withholding with the clerk of court. Your employee may contact SCSU at 1-888-229-9223 (nationwide) or (515) 242-5530 in Des Moines, IA.

When the Employee Quits, is Terminated, or is Rehired

What if the employee quits work after I begin withholding child support?

When the employee quits work, notify CSRU by either:

✓ Sending the information with your payment to CSC

✓ Contacting EPICS

In either case, provide the employee's last known address and, if you know it, the name and address of the new employer of your former employee.

What if I terminate or lay off my employee after I begin withholding child support?

Notify EPICS or other appropriate entity and provide the employee's last known address.

Note: An employer who terminates, disciplines an employee, or refuses to hire a person because of a child support income withholding order faces legal penalties.

What if a former employee returns to work?

If the employee returns to work for you , begin withholding child support payments after you receive a new notice to withhold.

When can I stop withholding?

As long as the non-custodial parent is employed, the withholding of income for support must continue until you receive a notice to stop withholding from the district court or agency that issued the income withholding order or notice. When CSRU terminates a withholding order, CSRU will send you a notice to terminate withholding.

Medical Support

Most orders for child support require the non-custodial parent to provide medical insurance coverage for the children. The non-custodial parent usually meets the responsibility by enrolling the children in the employer's insurance program. When the non-custodial parent fails to enroll the children, CSRU can do so by sending the appropriate documents directly to the employer. This section explains how enrollment occurs and the employer's responsibility in ensuring medical coverage for an employee's children.

Employer Responsibilities

How do I respond to requests for medical information?

CSRU uses the Employment/Health Insurance Questionnaire to gather information from employers about non-custodial parent. When you receive this request for information, fill it out and return it to EPICS.

How do I know that I must enroll a child in a medical plan?

Your employee may ask you to enroll the child in a medical plan. If the employe does not enroll the child, CSRU may request enrollment by sending the following forms to you:

- ✓ Employer Medical Support Information
- ✓ Medical Support Employer Notice
- ✓ A copy of the order containing the medical support obligation, or a medical support notice

Note that the following are not legitimate reasons for denying coverage:

✓ The child was born out of wedlock;

✓ The child is not claimed as a dependent on the employee's federal income tax form; or

✓ The child does not reside with the employee or in the insurer's service area.

Our company requires employees be employed for 90 days before allowing enrollment. How does that affect enrollment of the children?

Enroll the children at the time your employee is eligible for enrollment. Do not restrict enrollment of the children to a specific enrollment period.

What if my Plan Administrator needs a Qualified Medical Child Support Order (QMCSO)?

A QMCSO is a child support order which creates or recognizes the existence of a child's right to receive medical benefits or assign to a child the right to receive medical benefits. Notify EPICS if a QMCSO is needed to enroll the child in the health benefit plan. If you have your own QMCSO form, please send a copy to EPICS to complete and return.

Terminating Coverage

How long do I have to continue coverage?

You must continue enrollment for a dependent until you are provided with satisfactory written evidence that one of the following conditions exists:

✓ A court or administrative order requiring coverage in a health benefit plan is no longer in effect;

✓ The dependent is eligible for or will be enrolled in a comparable health plan which will take effect no later than the effective date of revocation or enrollment in the order plan; or

✓ You have eliminated dependent health coverage for all employees.

You may also terminate coverage when the premiums are no longer being paid because:

✓ You no longer owe compensation to the employee; or

✓ The employment has terminated and the employee has not elected to continue coverage.

What if our company's coverage ends?

You must notify the custodial parent and EPICS ten days before termination of coverage under a health benefit plan if:

✓ You no longer offer a health insurance plan; or

✓ You have changed insurers.

What if the employee quits after enrollment?

Within ten days of termination of employment, notify EPICS. You are not required to maintain coverage for the dependent if the premium are no longer being paid. (See "How long do I have to continue coverage?"). Notify EPICS if health benefits will continue under COBRA or another arrangement.

Definitions and Acronyms:

CER - Centralized Employee Registry
CSC - Collection Services Center
CSRU - Child Support Recovery Unit
DHS - Department of Human Services
EPICS - Employers Partnering in Child Support
QMCSO - Qualified Medical Center Support Order
SCSU - Specialized Customer Service Unit
SDU - State Disbursement Unit
UIFSA - Uniform Interstate Family Support Act

Bureau of Collections
Centralized Employee Registry
400 SW 8th Suite J
Des Moines, IA 50309-4690