

NOTICE OF CHANGES IN INDIANA INCOME WITHHOLDING LAW

This is to inform you of a recent change in Indiana law¹ regarding income withholding on certain types of child support cases.² The term “income withholding” refers to instances where your child support order is withheld from your paycheck in accordance with an Income Withholding Order (IWO) document forwarded to your employer.

The changes in the law include a clarification that the total amount that can be withheld from your pay check is the sum of the three items below. (Please note that items 1 and 2 are not new; item 3 is the recent change referred to above).

1. Your current child support ordered by the court; plus
2. *if applicable*, the amount of arrearage payment ordered by the court (sometimes referred to as “adjudicated” arrearage payment); plus
3. *if applicable*, using the table below, an amount to cover additional missed payments since the court order (sometimes referred to as “unadjudicated” arrearage payments).

Income Withholding Table per IC 31-16-15	
Additional Amount to Withhold Per Week	If the “Unadjudicated Arrearage” Total Is Between
\$20.00	\$ 500.00 – \$ 2,999.99
\$25.00	\$ 3,000.00 – \$ 4,999.99
\$30.00	\$ 5,000.00 – \$ 9,999.99
\$35.00	\$10,000.00 – \$14,999.99
\$40.00	\$15,000.00 – \$19,999.99
\$45.00	\$20,000.00 – \$24,999.99
\$50.00	\$25,000.00 and greater

The impact of this change is that your employer may receive an IWO with an amount to withhold that is different than what you have been used to. This will happen most often when you change employers.

For example, following the instructions stated above, if:

1. your current child support ordered by the court is \$100.00 per week, and
 2. the amount of arrearage payment ordered by the court (“adjudicated arrearage payment”) is \$10.00 per week; and
 3. since the most recent court order, you have missed additional payments totaling \$2500.00 (“unadjudicated arrearage) which per the table would add an additional \$20.00 per week;
- Then your employer could receive an IWO with instructions to withhold \$130.00 per week from your paycheck.

¹ Indiana Code (IC) 31-16-15 et seq.

² This applies only to Title IV-D cases which are those where the custodial party uses the services of the county Prosecutor’s Office.