

FREQUENTLY ASKED QUESTIONS FROM CUSTODIAL PARTIES¹

1) When will collection of the \$25 yearly fee start?

The collection of the fee will start in September 2008.

2) Why is this new fee being collected?

The Federal Deficit Reduction Act of 2005 requires the fee to be paid on cases meeting certain requirements. These fees help pay for the services provided by the child support program. The requirement for the fee is in the Social Security Act, Section 454(6)(B)(ii).

3) Does the \$25 fee apply to all child support cases?

No. It does not apply to cases if the custodial party receives food assistance for a child named in the support order, receives (or has received) cash assistance for a child named in the support order, or if the custodial party has not received \$500 in child support.

4) How often will the \$25 fee have to be paid?

The fee will be deducted once per case each fiscal year after \$500 in support has been sent to you. The fiscal year runs from October 1 through September 30. After Michigan has collected the \$25 fee, you will receive all the support paid for the rest of the fiscal year.

5) Please explain the time period for the fee. What is a “fiscal year”?

A fiscal year is the 12 months from October 1 to September 30 rather than the calendar year of January to December. Because this fee is required once each *fiscal* year, Michigan will start adding up your support payments in October each year. After you get \$500, Michigan will subtract \$25 from your next payment. Once the \$25 has been collected, you will again receive all support payments. This process will start over again every October.

6) Can I pay the \$25 fee by sending a check to either the Office of Child Support, the Friend of the Court, or the Michigan State Disbursement Unit (MiSDU)?

No. The fee must be collected directly from child support payments.

7) What if I do not get \$500 in the fiscal year?

Michigan will never collect the \$25 fee for a fiscal year in which you do not have \$500 sent to you first.

8) What if I get \$1,000 or more per year in child support? Will Michigan take the \$25 fee more than once?

The \$25 fee will be collected only one time each fiscal year per support order, after you receive \$500 in support. It will not matter how much more child support you receive after the first \$500 during the same fiscal year.

9) If Michigan collects the \$25 fee and I currently receive food assistance and/or cash assistance, what should I do?

Send a letter to your Friend of the Court that includes your docket ID, the type of assistance you are receiving, and a list of the children on your assistance case.

10) If Michigan collects the \$25 fee and I received cash assistance in the past in Michigan or another state, what should I do?

Send a letter to your Friend of the Court, and provide proof that confirms your history of cash assistance. For example: provide a signed statement from your assistance worker, a

¹ Child Support Payees

statement on agency letterhead saying you received cash assistance in the past, or copies of agency records that show your past assistance.

11) Will the non-custodial parent get full credit even though the fee is collected from my support payment?

Yes, federal law requires that the non-custodial parent receive full credit for the support payment. (For example, if \$500 has already been sent to you and the next payment made is \$100, the non-custodial parent will receive credit for a payment of \$100, but you will receive \$75; the other \$25 will be collected for the payment of the fee.)

12) My children and I receive only Medicaid. Do I have to pay the \$25?

Yes, federal law only excludes current food assistance recipients and current or former cash assistance recipients from paying the \$25 fee. Therefore, Medicaid-only recipients must pay the \$25 yearly fee.

13) Will the \$25 fee be collected for prior years?

No. The fee will only be collected within the current fiscal year. Therefore, if the fee is not collected before the end of September it will not be collected for that current fiscal year. Michigan will start the collections process over at the beginning of October.

14) What is a IV-D support case?

A IV-D case is a child support case in which at least one of the parties has requested or received IV-D services from the state's IV-D child support agency. All recipients of cash assistance and food assistance who have children in the home and at least one parent not in the home receive "IV-D" child support services. Also, parent or other custodians who have completed a IV-D child support services application/referral are on a case that is considered a "IV-D case."

15) Is there any way I can avoid the \$25 yearly fee?

Yes, you must contact your Friend of the Court in writing and request that your IV-D case be closed. If you close your IV-D case, you will no longer receive services offered by Michigan's IV-D child support program. For information related to IV-D child support services reference the Michigan Child Support Web site at:

<http://www.michigan.gov/childsupport>.

16) Although I have a Michigan support order, I've requested IV-D child support services from Ohio. Am I charged the fee?

The state providing child support services is the state responsible for collecting the \$25 fee. In our case, you should contact Ohio.

17) How will I know that Michigan has collected the \$25 fee? How can I confirm it?

The collection of the \$25 fee will display on the custodial parties financial detail report. You can have this report printed by contacting your Friend of the Court.