

Child Support and the Federal Stimulus Payment: Important facts regarding child support and the federal stimulus payment

Are federal stimulus rebate payments subject to the Federal Tax Refund Offset Program and interception by state child support agencies?

Yes. Federal law requires child support agencies to have procedures to collect past due child support from federal tax refunds. In the federal stimulus bill, the CARES Act, Congress did not exempt the stimulus rebate payments from federal offsets for child support arrears.

What are the criteria for intercepting the federal stimulus payment?

Federal law and regulations determine when federal payments are intercepted and applied to child support arrears. Federal law allows the child support enforcement (CSE) agency to intercept the stimulus payment if \$500 or more in past due child support is owed to a non-public assistance arrearage or \$150 or more is owed to a public assistance arrearage.

Whether the arrearage is non-public assistance or public assistance depends on whether the person caring for your child received public assistance benefits (KTAP or Kinship Care) for the child during the time period the arrearage accumulated.

You may call the Treasury Offset Program (TOP) voice response system at (800) 304-3107 to find out if you owe a child support debt that has been referred for TOP for collection.

If I owe child support, will I be notified that my federal stimulus payment is going to be applied to my child support arrearage balance?

Yes. You were sent a notice when your case was initially submitted for federal tax refund offset. The federal government should send an offset notice to you when your stimulus payment actually has been intercepted. The notice will tell you that your stimulus rebate payment has been applied to your child support debt and to contact the CSE if you believe this was done in error.

You may obtain payment and child support account balance information by calling (800) 443-1576 or accessing the Kentucky Child Support Interactive (KCSI) website at <http://csws.chfs.ky.gov/csws/>. To sign up for online access, you first must contact your local child support office or the Kentucky Child Support Enforcement Hotline at (800) 248-1163 to provide your email address, verify your date of birth and obtain your child support identification number.

What do I do if I think my stimulus payment should not have been offset?

You may dispute the intercept of your stimulus payment if you do not believe that you owe past due child support by contacting your local child support office and requesting an audit of your case.

Remember, the referral is mandatory under federal law if you owe the minimum amount of arrears. If after reviewing the audit of your case(s), you disagree with the audit results, you may exercise your right to contest the intercept and the audit findings by making a written request for an administrative hearing through your local child support office. You also may file a judicial action to address the arrearage owed on your case(s).

To find contact information for your local child support office visit the Kentucky Child Support Interactive website at <https://csws.chfs.ky.gov/csws/General/FindOffice.aspx> or call the Kentucky Child Support Enforcement Hotline at (800) 248-1163.

I owe an arrearage but I am paying regularly. Why is my federal stimulus payment still being taken?

Federal law requires child support agencies to have procedures to collect past due child support from federal tax refunds. In the federal stimulus bill, the CARES Act, Congress did not exempt the stimulus rebate payments from federal offsets for child support arrears. Federal law allows the CSE agency to intercept the stimulus payment if you owe \$500 or more in past due child support to a non-public assistance arrearage or \$150 or more to a public assistance arrearage. Making regular payments to your current support obligation and to your arrearage balance does not exempt you from interception if you owe the minimum amount of arrears.

If I am married to someone who owes past due child support, will my federal stimulus payment be applied to the child support arrearage they owe?

If you do not owe past due child support but you are married to someone who owes past due child support and you filed an injured spouse claim with your 2019 tax return (or 2018 tax return if you haven't filed your 2019 tax return), the IRS automatically will send half of the total stimulus payment to you. If you did not file an injured spouse claim with your 2019 tax return (or 2018 tax return if you haven't filed your 2019 tax return) to receive your portion of the stimulus payment, you must file an Injured Spouse Claim and Allocation - Form 8379. To obtain the form and filing instructions, please visit <https://www.irs.gov/forms-pubs/about-form-8379> or call (800) 829-3676.

Will I receive any money from a stimulus payment intercepted by the child support agency from the noncustodial parent on my case?

Maybe. Federal law dictates how money received by a state child support agency under the Federal Tax Refund Offset Program is distributed. In Kentucky, the federal tax offsets are applied first to arrears (arrears owed to the state and then to arrearages owed to the family). If the noncustodial parent on your case owes an arrearage to the state on any of his child support cases, the intercepted stimulus payments up to the amount owed to the state will be retained by the state. The remainder of money, if any, will be applied to arrearages owed to you and/or other custodial parents, up to the amount of the arrearage owed. The amount of the money you are entitled to receive will depend on a number of factors, including the amount of the stimulus payment intercepted, the amounts owed to you in your case, and the number of other child support cases in which the noncustodial parent owes child support arrears. You must also have a full-service (IV-D) case open with the Child Support Division to be entitled to receive any monies from an intercepted federal stimulus payment.

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Once the child support agency receives the stimulus payment, it will be held for 30 days or six months before it is distributed. A stimulus payment resulting from a single tax filing is held for 30 days and a stimulus payment resulting from a joint tax filing is held for six months. Federal and state laws and regulations dictate these timeframes. The child support agency will not release the payment early and is not permitted to provide the specific release date of the payment to the custodial parent.