



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

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NEW CHILD SUPPORT RULES FINALIZED AND FILED WITH THE SECRETARY OF STATE

INCOME SHARES GUIDELINES TO TAKE EFFECT IN JANUARY 2005

NASHVILLE, Tenn.— The Tennessee Department of Human Services has received approval from the state Attorney General and has filed new child support guidelines with the Secretary of State's office. The new guidelines are called an income shares formula, which requires that both parents' incomes and other major expenditures, including child care costs and medical insurance premiums, be considered when calculating a child support order. Income shares rules are currently in use in 33 other states and will take effect in Tennessee on January 18, 2005.

"The Department and its partners have spent countless hours developing these guidelines. They are based on the best economic studies and methodologies available at this time for calculating the costs of raising a child," said Human Services Commissioner Gina Lodge. "Times and families have changed over the last several years. The current flat percentage formula is no longer the ideal way to calculate support. Income shares is a fairer method of calculating support for all parties involved."

The current flat percentage formula, which the Department is abandoning, requires that the non-custodial parent pay a percentage of his or her income when determining support, and it does not directly consider the income of the custodial parent. The basic flat percentage rate is 21 percent of the non-custodial parent's net income for one child, with higher percentages for up to five or more children.

"We appreciate the hundreds of public comments we received on these changes," said Lodge. "In addition to the nine public hearings held by the Department last spring, valuable input and suggestions for improving the guidelines came from parents, attorneys, judges and child support professionals."

The income shares model is more equitable in cases where one parent has an extremely high income and the other earns a very low income. The new guidelines will also work well with the parenting plans used in domestic actions, such as divorces or separations, and when credits for other children must be calculated into the support order. The rules also have provisions for families who split custody of two or more children.

Training on the income shares guidelines has already begun, and a website containing the rules, worksheets and the new child support schedule can be found at the following site:

www.state.tn.us/humanserv/is/incomeshares.htm

A free automated calculator to quickly determine support orders is coming soon to the site.

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