

By federal law, all Alaskan child support orders must include a wage-withholding order. Also known as Income Withholding, garnishment or wage assignment. This is the most effective way of collecting child support, but it doesn't mean your employee did anything wrong, it just means they have children who need support.

### **It's not about bad debts**

Let's start by clearing the myth: there is nothing wrong with an employee who pays child support through wage withholding.

Wage-withholding orders are required on all child support orders, even if the parent has never missed a payment. Congress changed the law in 1990 to mandate that all child support cases pay their support through wage withholding, when they realized this method of collection was the most successful.

# It's about children

**Income withholding** is not meant to punish the employee, it is to collect the money children need for housing, food, school supplies and clothes. CSSD's collection program's main job is to make sure support payments are made on time and in full. Missed child support payments can disrupt a child's life and cause hardship. For this reason, Congress decided that income withholding orders should be part of every child support case.

# Contact Us

Customer Service: **(907) 269-6900**  
TOLL FREE (In-state) 800-478-3300  
TDD (Hearing/Speech Impaired)  
(907) 269-6894 (machine access only)  
TOLL FREE (In-state) 800-370-6894

#### **Employer Assistance:**

**907-269-6089**

FAX (907) 787-3197

#### **New Hire Reporting:**

**907-269-6089**

#### **Customer Service Center:**

655 F Street, Anchorage

#### **Payment Mailing Address:**

P.O. Box 100380

Anchorage, AK 99510-0380

#### **Mailing Address:**

550 W 7th Ave, Suite 310

Anchorage, AK 99501-6699

#### **Email:**

[dor.cssd.customerservice.anchorage@alaska.gov](mailto:dor.cssd.customerservice.anchorage@alaska.gov)

Do you have questions on New Hire Reporting?  
For more information visit us at:



# Alaska Employer's Guide To wage withholding for



**State of Alaska  
Department of Revenue  
Child Support Services Division (CSSD)**



## What happens?

You will receive an income withholding order telling you when to begin, how much to deduct and where to send the money. The order may come from CSSD or from another state. It is against the law to refuse to follow the order. If you receive two different income withholding orders for the same children from two different states please contact CSSD.

## When will it start?

Once you receive the withholding order, the deductions must start no later than the first pay period following the date you receive the order, the payment must be sent within seven business days of the date you withhold the money.

## When will it stop?

The income withholding order will remain in effect until you are notified by the child support agency of any changes.

## Can my employee have a copy?

Yes. You may give a copy of the withholding order to your employee.

## How often are payments due?

Payments are due within seven business days of each pay period. If the employee is paid weekly, then a payment should be sent each week. If the payroll is monthly, then the money should only be sent once a month and so on.

## Can I charge the employee?

The law allows the employer the option of charging employees up to \$5 each time money is withheld from their paycheck.

## How much and is there a limit?

For orders enforced by CSSD, the total amount withheld including the employer's optional fee, generally cannot exceed 40% of the employees net disposable earnings from any single paycheck. Net disposable earnings are gross wages minus federal income taxes,

Social Security, Medicare and other mandatory deductions.

Even if the child support order asks for more money, you can't exceed the 40% limit unless the income withholding order says so. Just send in the amount equal to 40%, and whatever is unpaid will be added to the employee's debt.

The amount withheld can be increased past 40%, to the maximum allowed by the federal Consumer Credit Protection Act, if CSSD determines there is good cause to increase the percentage from 40%.

## Do commissions count?

Yes. Alaska Law requires that employers withhold child support from all earnings. Earnings is defined as wages, salaries, commissions, bonuses, dividends, retirement benefits and other compensation.

## What else should I send in?

CSSD has assigned each employer with an ID number. Please use this number on each payment you send in. If you don't know your employer ID number, please call 907-269-6089. It's also important to identify the employee on each payment.

## Can I combine payments?

Employers can send in one check to cover all of their employees. However, you must list the amount and date withheld for each employee.

## Can I use direct deposit?

Yes. It's a great option for employers and speeds up the process. For more information on this option please call 907-269-6750.

Find us online:



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# WHAT IF?

## The employee objects?

Continue to withhold wages according to the order and tell your employer to contact CSSD. Until we notify you otherwise, continue to collect as ordered.

## What about health insurance?

CSSD is also required to enforce medical insurance. We will send a National Medical Support Notice (NMSN) notice asking that the children are enrolled in the company's health insurance program. Full detailed instructions on what to do will accompany the NMSN as well as contact information for any questions.

## What if my employee quits?

Please notify CSSD and provide this information as well as last known address and their new employment, if you are aware of it. Alaska Law requires a record be kept of the income withholding order for three years, and to enforce the order if the employee were to return to work.

# WHAT NOT TO DO

## Can I fire the employee?

No. Employer's can be fined up to \$1,000 in addition to court costs if you refuse to hire an applicant or if you discipline or fire an employee because of a child support income withholding order.

## What if I ignore the order?

Any employer who ignores an income withholding order could end up being liable for 100% of the money owed under the issued order. There is also the possibility of being held liable for all the court costs, interest and attorney fees.