

## Figuring out Income Available for Support

You just want to know how much money you'll be receiving or having to pay in child support and/or spousal support. Instead of answers, all your attorney does is ask you random questions that seemingly have no purpose other than to avoid giving you a response. The truth is that initial support calculations are based on how much money you and your spouse each earn, and your attorney is trying to figure out what income you have available for support. California uses statutory guidelines in order to determine presumptively correct support figures, and before your attorney can calculate support based on those guidelines, he or she needs to know a lot of data. Here is how to equip your attorney with all of the necessary information to be able to give you accurate support predictions.

Below we're going to cover the following:

- Figuring out how often you're paid
- Important payroll deductions for purposes of support, including:
  - Health insurance
  - Union dues
  - Voluntary retirement
  - Mandatory retirement
  - Taxes
- Your Spouse's Income

Let's get started.

### Your Income

You first need to know how much money you make, which actually isn't as easy as it sounds. Knowing how often you're paid and whether you're salaried or hourly makes a huge impact on how much money you actually earn. Take a look at the last two months of your pay stubs and really read them. Are you bi-weekly or semi-monthly? In other words, are you paid every two weeks, or twice a month? The difference is 26 versus 24 pay periods in a year, and yes, it matters.

#### Signs You're Paid Bi-Weekly

- Assuming you are a full-time employee, your paychecks show that you routinely work 80 hours each pay period
- You're paid every other Friday (or Monday, or Wednesday) on a consistent basis
- You are paid a total of 26 times each year

#### Signs You're Paid Semi-Monthly

- The days of the week you're paid vary from month to month
- You're paid the 1<sup>st</sup> and the 15<sup>th</sup>, the 5<sup>th</sup> and the 20<sup>th</sup>, or the 15<sup>th</sup> and last day of the month
- Your hours worked vary each pay period
- You are paid a total of 24 times each year

You should also know if and when you receive bonuses, and if you have any additional financial incentives, such as commissions, tips, stock, and a transportation allowance. If you are an hourly employee who works overtime or receives shift differential pay, having an accurate estimate for how often this happens is very helpful.

## Your Payroll Deductions

There are a number of deductions on your pay stubs that are important for calculating accurate support figures. The most important ones are as follows:

### Health Insurance

These amounts include your medical, dental, and/or vision premiums that you pay on a *monthly* basis. If you contribute to a Flexible Spending Account (FSA), Health Savings Account (HSA), or some other similar voluntary account, make sure to distinguish that amount from the amount you contribute to your premiums. For support purposes, you do not need to distinguish whether the premiums are for your benefit alone, your children's benefit, or even your separated spouse's benefit. Finally, although most of the time, medical premiums are paid *pre-tax*, you should be able to confirm this fact.

### Union Dues

The amount you contribute to your union dues is excluded for purposes of calculating support, so it is important to know how often you pay your union dues and how much you pay.

### Voluntary Retirement

Whether it's a 403(b), IRA, 401(k), or some other kind of voluntary deferred income plan, you should be aware of whether or not you participate in this program and if so, how much you're contributing. You should know whether you are contributing a *percentage* of your gross income or if you're contributing a fixed monthly amount. You should also know if your contributions are *pre-tax* or *post-tax*, as this makes an impact on whether or not they are considered for support calculation purposes.

### Mandatory Retirement

Many state, federal, and/or union employees are required to contribute to their retirement plans. If you are unsure of whether or not your retirement deductions are voluntary or mandatory, go see your payroll or Human Resources department prior to meeting with your attorney. Voluntary retirement contributions are treated very differently than mandatory retirement contributions for support purposes, so it is to your benefit to know which type of retirement contributions you are making.

## **Taxes**

If you have mandatory retirement contributions, it is possible that you are not paying into either Social Security or California State Disability Insurance (CASDI or SDI). If so, that has an impact on your income available for support.

## **Your Spouse's Income**

Even if you are fully aware of your own income and deductions, that is only half of the equation. You also need to be prepared to provide your attorney with information regarding your spouse's income and deductions. In an ideal situation, you're already fully educated and know what these amounts are, and if you don't know, you are able to ask your spouse for that information.

If you do not know your spouse's income and have no way of obtaining his or her paycheck stubs, use the most recent tax return. If you don't have a copy of your most recent joint tax return, call your CPA or tax preparer. Worst case scenario, you can contact the Internal Revenue Service for a copy. You can also review the joint bank account statements for your spouse's average monthly deposits of income. Although this isn't a very accurate number, it is a start in the right direction.

Finally, remember that even if you have no idea what your spouse earns for income and no way of obtaining that information before you begin divorce proceedings, your spouse *will* have to disclose his or her earnings during the process. For more information and to have an attorney help estimate the amount of support you may be entitled to, [contact us](#).