



1           exceeds thirty-five percent of a parent's yearly  
2           gross income; parent shall not pay child support  
3           if the child support obligation exceeds ten  
4           percent of a parent's yearly gross income.

5           (a) A child support order is determined by dividing the total  
6           child support obligation between the parents in proportion to their  
7           income. Both parents' yearly adjusted gross income is used to  
8           determine the amount of child support.

9           (b) To determine a parent's yearly adjusted gross income, a  
10          valid tax return from the previous year must be provided.

11          (c) Once a valid tax return from the previous year is  
12          provided, all taxes, debts, judgments and collections shall be  
13          deducted from the parent's adjusted gross income that appears on  
14          the previous year's valid tax return. Further, all over-time  
15          earned by the parent shall be excluded from the yearly adjusted  
16          gross income calculation.

17          (d) To determine the amount of taxes to be deducted from the  
18          parent's adjusted gross income, add all taxes paid that appear on  
19          the previous year's valid tax return.

20          (e) To determine the amount of debts, judgments and  
21          collections, the parent's credit report shall be accessed from one  
22          of the three major credit bureaus in the United States: Equifax,  
23          TransUnion or Experian. After accessing the credit report from one

1 of the three major credit bureaus, add all monthly debts, judgments  
2 and collections that appear on the parent's credit report and  
3 multiply that monthly debt by twelve.

4 (f) If a current child support obligation is already in  
5 effect, current child support obligations must be considered in the  
6 determination of a parent's yearly adjusted gross income. The  
7 parent who receives child support shall add the yearly amount of  
8 child support that he or she receives into his or her adjusted  
9 gross income, and the parent who pays child support shall deduct  
10 the total amount of child support that he or she pays from his or  
11 her adjusted gross income.

12 (g) A parent shall not have to pay child support if that  
13 parent's yearly debt ratio exceeds thirty-five percent of that  
14 parent's yearly gross income. A parent's yearly gross income shall  
15 be found on that parent's previous year's valid tax return. A  
16 parent's yearly debt ratio shall be calculated by adding together  
17 all yearly taxes, debts, judgments, collections and child support  
18 payments.

19 (h) A parent shall not have to pay child support if the  
20 determined yearly child support obligation exceeds ten percent of  
21 that parent's yearly gross income. A parent's yearly gross income  
22 shall be found on that parent's previous year's valid tax return.

NOTE: The purpose of this bill is to include child support that is received by a parent into their monthly adjusted gross income. A parent's monthly adjusted gross income shall not include taxes or debt, including collections or judgments. The bill provides a maximum debt ratio, beyond which child support will not be awarded. The bill further provides that a parent will not have to pay child support if the yearly child support obligation exceeds ten percent of that parent's yearly gross income.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.