

Residential Credit Subcommittee Report – June 20, 2011

Members: Andrew McDirmid, Tim Eastman, Kristie Dimak, Gary Bashor, Kevin Callaghan, Angela Gerbracht

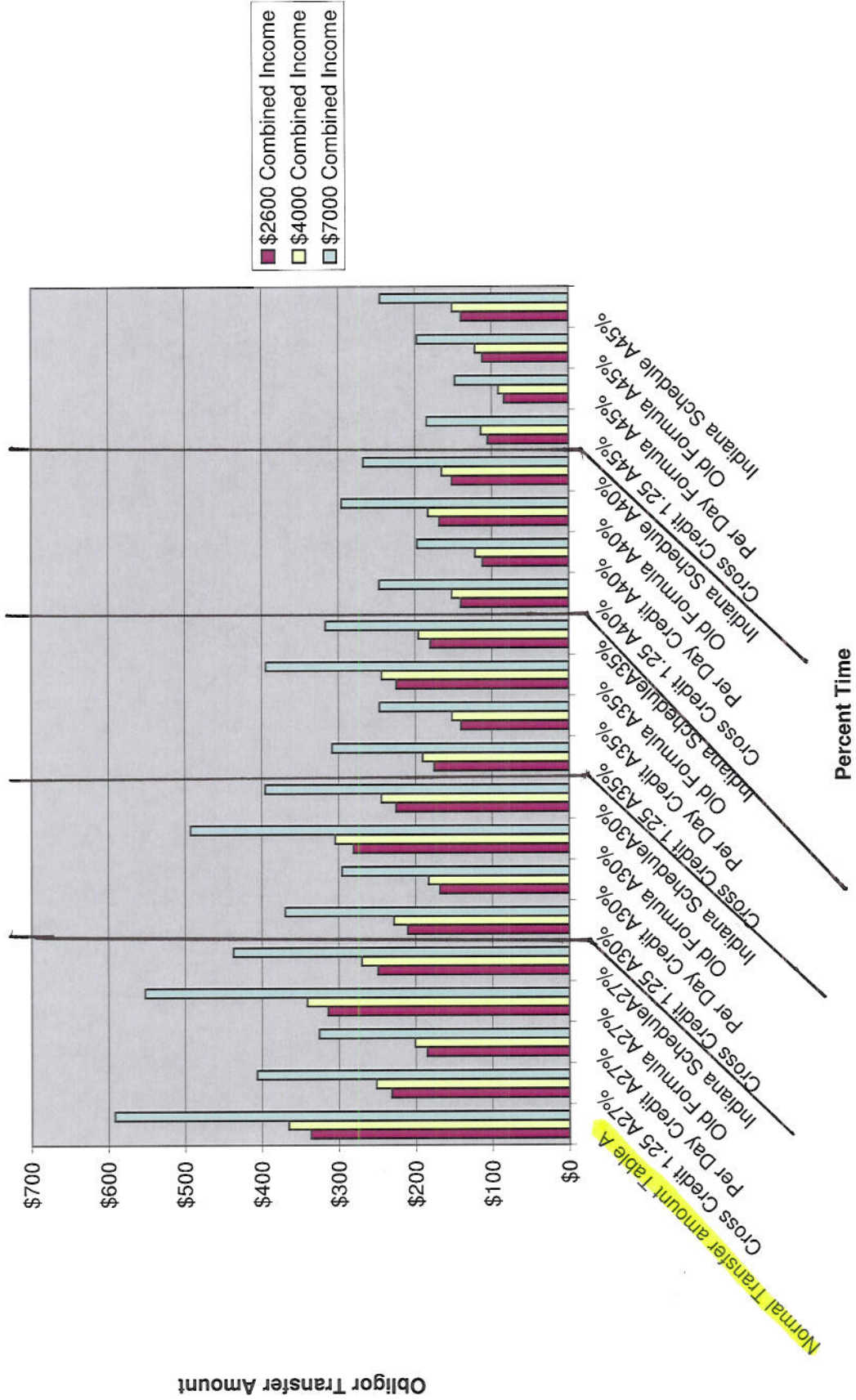
DSHS Leader: George Smylie

- Written Plan: The Subcommittee agreed a written plan needs to be in place before the Residential Credit (RC) is applied. A written plan can be in the form of a written order or a written agreement between parents.
- Threshold:
 - The Subcommittee is suggesting a 25% minimum threshold.
 - The subcommittee also agreed we need to change the current wording describing when the RC should be applied from “significant amount of time”, and indicate when the lower time parent has the child/ren 25% or more of the time the RC “should be” applied. In cases where the judge or commissioner finds there is not adequate income in a house to care for the child/ren the judge or commissioner should have discretion to not apply the RC.
- Residential Credit Formula: Subcommittee reviewed Residential Credit Calculations detailed in attached tables and bar graphs:
 - Subcommittee agreed we are trying to provide a guideline calculation (recommendation) but not a rigid formula. We would prefer allowing the judge or commissioner’s discretion, when needed, to confirm there is adequate money in each household to care for the child/ren. If there is not enough income in a home to care for the child/ren then the RC should be adjusted accordingly to allow for adequate income in that home.
 - The Subcommittee is suggesting the implementation of the Cross Credit Calculation using a 25% multiplier.
- Timeline for Residential Credit Modifications:
 - The Subcommittee agrees the higher or lower time parent can request a Residential Credit modification after 6 months if the children are not spending the residential days as outlined in the written plan with one of the parents.
- Inverse (for lack of better words) Residential Credit:
 - Throughout the Subcommittee’s meetings we have discussed the possibility of the Child support transfer payment increasing if the lower time parent does not spend a certain amount of time with the child/ren. This is based on the suggestion the WA child support table is based on 25% of the residential days being spent with the lower time parent. The Subcommittee does not have a recommendation on this matter but may try to address this issue in future meetings.

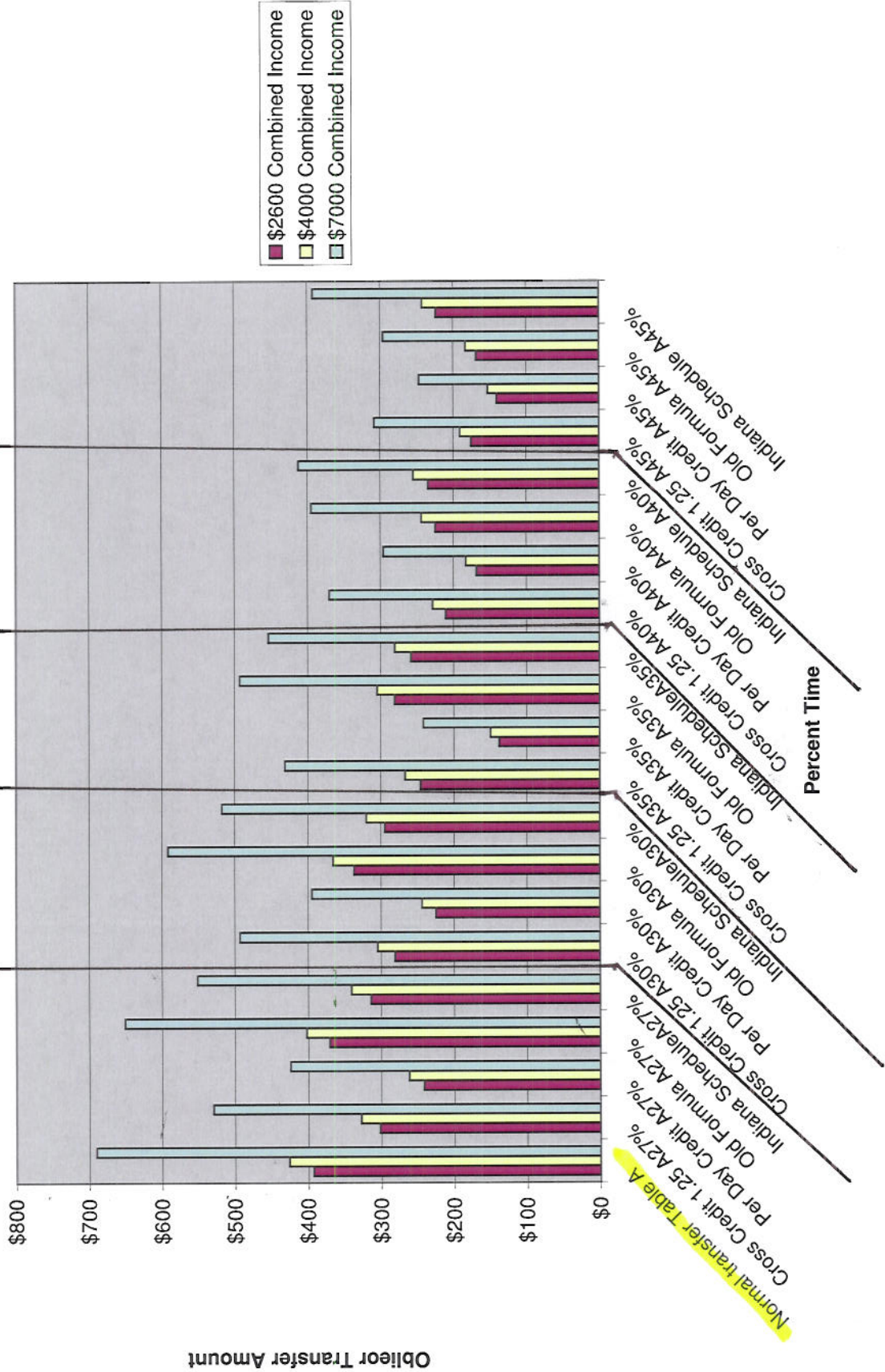
TABLE B

	Normal Transfer amount based on 70/30 IS	Cross Credit with 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B27%	Cross Credit 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B30%	Cross Credit with 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B35%	Cross Credit 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B40%	Cross Credit 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B45%	Cross Credit 1.25 multiplier Based on 70/30 IS	Per Day Credit based on 70/30 IS	formula from 1988 support schedule Based on 70/30 IS	Indiana Schedule B45%	
Combin ed Net Income	\$2,600	\$372.49	\$297.99	\$457.38	\$387.53	\$346.50	\$277.20	\$415.80	\$353.76	\$303.19	\$242.55	\$345.5	\$318.78	\$259.88	\$207.9	\$277.2	\$289.6	\$372.49	\$173.3	\$207.9	\$275.5	\$275.5	\$372.49	\$173.3	\$207.9	\$275.5
	\$4,000	\$527.10	\$323.79	\$496.98	\$421.08	\$376.50	\$301.20	\$451.80	\$395.25	\$329.44	\$263.55	\$376.5	\$346.38	\$282.38	\$225.9	\$301.2	\$314.7	\$404.74	\$185.3	\$225.9	\$299.4	\$299.4	\$404.74	\$185.3	\$225.9	\$299.4
	\$7,000	\$852.60	\$523.74	\$803.88	\$681.11	\$609.00	\$487.20	\$730.80	\$639.33	\$532.88	\$426.30	\$609	\$560.28	\$456.75	\$365.4	\$487.2	\$509.0	\$654.68	\$304.5	\$365.4	\$484.3	\$484.3	\$654.68	\$304.5	\$365.4	\$484.3
Combin ed Net Income	\$2,600	\$285.86	\$228.69	\$388.08	\$307.41	\$259.88	\$207.90	\$346.50	\$278.03	\$216.56	\$173.25	\$277.2	\$222.45	\$173.25	\$138.6	\$207.9	\$187.9	\$129.94	\$104.0	\$138.6	\$172.4	\$172.4	\$129.94	\$104.0	\$138.6	\$172.4
	\$4,000	\$451.80	\$310.61	\$421.68	\$334.03	\$282.38	\$225.90	\$376.50	\$302.10	\$235.31	\$188.25	\$301.2	\$241.71	\$188.25	\$150.6	\$225.9	\$204.2	\$141.19	\$113.0	\$150.6	\$187.3	\$187.3	\$141.19	\$113.0	\$150.6	\$187.3
	\$7,000	\$730.80	\$502.43	\$652.08	\$540.30	\$456.75	\$365.40	\$609.00	\$488.68	\$380.63	\$304.50	\$487.2	\$390.88	\$304.50	\$243.6	\$365.4	\$330.3	\$228.38	\$182.7	\$243.6	\$303.0	\$303.0	\$228.38	\$182.7	\$243.6	\$303.0

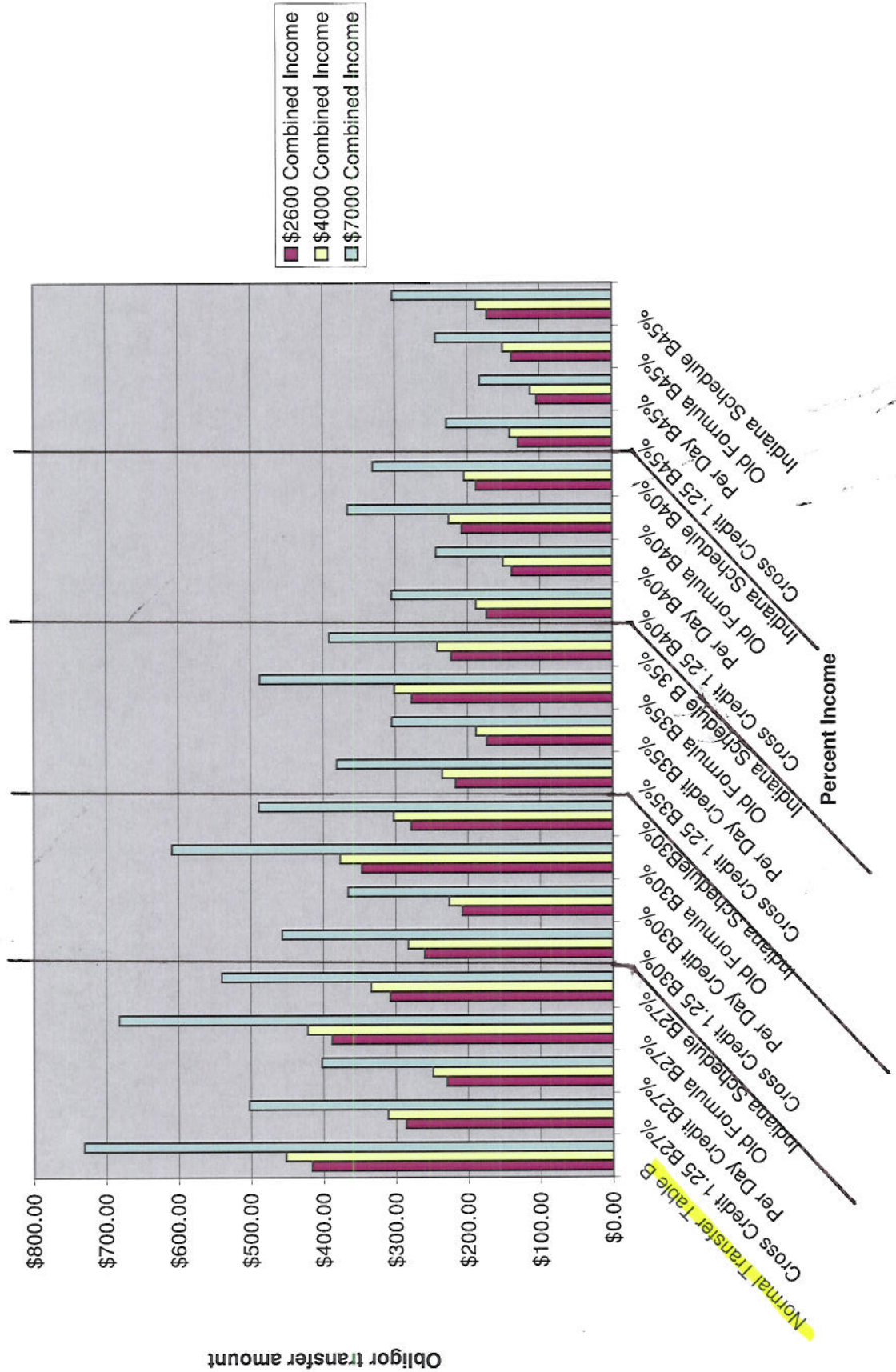
Residential Credit Table A 60/40



Residential Credit Table A 70/30 IS



Residential Credit Based on 60/40 IS



Residential Credit Based on 70/30 IS

