

## **Your Child Support and the Federal Stimulus Recovery Payment**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. The CARES Act provides some individuals with a recovery rebate of up to \$1,200 (or \$2,400 if married and filing jointly), plus up to \$500 for each qualifying child. The Internal Revenue Service (IRS) and the Department of the Treasury are preparing to process these rebates.

Here are some important facts regarding your child support and the federal recovery rebate payment:

**1. Will the federal recovery rebate payments be subject to the Federal Tax Refund Offset program for child support arrears?**

- Yes. Federal law requires child support agencies to have procedures in place to collect past due child support from federal tax refunds. Congress did not exempt the federal recovery rebate payments from federal offsets for child support arrears. All or part of a noncustodial parent's federal recovery rebate payment, up to the amount of past support owed, may be intercepted to pay past due child support.
- The CARES Act does not provide states the option to suspend federal tax refund offset in cases meeting eligibility criteria to receive a recovery rebate.
- The CARES Act does not provide exceptions for financial hardship reasons.

**2. If I owe child support, will my federal recovery rebate payment be applied to my child support arrears?**

- Maybe. Federal law and regulations determine when federal payments are intercepted and applied to child support arrears. The federal recovery rebate payment may be intercepted and applied to child support arrears only if:
  - ✓ the past due balance is equal to at least one month's worth of court ordered child support and,
  - ✓ a minimum of \$500 is owed to the custodial parent, and/or \$150 is owed to the state of Minnesota

**3. If I owe child support, will I be notified that my federal recovery rebate payment is going to be applied to my child support arrearage balance?**

- Yes. We previously sent you a notice to your last known address when your case was initially submitted for federal tax refund offset. If you do not remember receiving a notice, you can log in to [Minnesota Child Support Online](#) to view your case information.
- The IRS should send an offset notice to you when your federal recovery rebate payment has been intercepted. The notice will tell you that your rebate payment has been applied to your child support debt and to contact the Child Support office if you believe this was done in error.
- You can also call the IRS Treasury Offset Program interactive voice response system at 1-800-304-3107 to see if the child support program referred your child support debt for collection through the program.

- 4. What if I am married and the federal government sent my spouse's portion of the federal rebate payment for my past due child support?**
- If the federal government determined your economic impact payment was based on your joint tax return and your spouse does not owe child support, your spouse can file an injured spouse form with the IRS.
  - If your spouse has filed an injured spouse form for the tax year the federal government used to determine your economic impact payment, your spouse does not need to file it again.
  - Information about filing an injured spouse claim is available at [IRS website form 8379](#).
- 5. If I owe child support, claim child(ren) as dependent(s) for tax purposes and am entitled to receive a qualifying recovery rebate for those child(ren), will my child(ren)s recovery rebate be subject to the Federal Tax Refund Offset program?**
- Yes. If you filed a single return that includes a child(ren)s recovery rebate, their recovery rebate will be intercepted to pay past due child support.
  - If you are married, filed a joint tax return, your spouse can file an injured spouse form with the IRS to receive their proportion of the recovery rebate.
  - If your spouse has filed an injured spouse form for the tax year the federal government used to determine your economic impact payment, your spouse does not need to file it again.
  - Information about filing an injured spouse claim is available at [IRS website form 8379](#).
- 6. If I am the custodial parent, and I'm currently receiving or have ever received public assistance (Cash Assistance from MFIP/DWP, Medical Assistance or Child Care Assistance) for my child(ren), will I receive any money from a federal rebate payment intercepted by the federal government from the noncustodial parent on my case?**
- Maybe. Federal law determines how money received by a state child support agency under the Federal Tax Refund Offset Program is distributed.
  - In Minnesota, federal tax offsets are applied first to arrears owed to the state, and then to arrears owed to the family.
  - The amount of the money you are entitled to receive will depend on several factors, including the number of children that parent claimed as dependents on their income tax forms, amount of the federal rebate payment intercepted, the amount owed to the state on your case, the amount owed to you on your case, and the number of other child support cases where the noncustodial parent owes child support arrears. You must also have a full-service case open with the Child Support office to be entitled to receive any money from an intercepted federal stimulus payment.

**7. If I am the custodial parent, and I've never received public assistance (Cash Assistance from MFIP/DWP, Medical Assistance or Child Care Assistance) for my child(ren), will I receive any money from a federal recovery rebate payment intercepted by the federal government from the noncustodial parent on my case?**

- Maybe. If the noncustodial parent owes you child support arrears that meet the criteria listed in Question #2, then you may receive money intercepted from the noncustodial parent's federal rebate payment. The amount of money you receive will depend on several factors, including the number of children that parent claimed as dependents on their income tax forms, amount of the stimulus payment intercepted, the amount owed to you on your case, and the number of other child support cases the noncustodial parent owes child support arrears for. You must also have a full-service case open with the Child Support office to be entitled to receive any money from an intercepted federal stimulus payment.
- If you are entitled to receive money from an intercepted federal rebate payment, federal single recovery rebates are held by the Child Support office for 30 days and joint recovery rebates are held for 180 days (6 months) before they are released.
- A \$25.00 fee to the custodial parent is withheld every time a federal tax offset, including a recovery rebate, is received and at least \$100.00 disburses to arrears owed to the custodial parent.

**8. Where can I find additional resources on this issue?**

Please visit:

- [Minnesota Child Support Online website](#)
- [Minnesota Department of Human Services home page](#)
- [IRS website](#)
- [U.S. Treasury website](#)

**9. What if I still have questions?**

- Contact your Dakota County child support worker by telephone, mail or send a secure message using the [Minnesota Child Support Online](#) Messages webpage.
- If you do not know who your child support worker is, contact 651-554-5611 and ask to be redirected to your child support worker.