OCSE Summary of Proposed Changes to the IWO – 30 Day Comment Period

IWO Form

- **Revised** : Removed the OMB Expiration Date from the IWO form and added it the IWO Instructions
- **Revised:** Two checkboxes to indicate if Obligor has been reported as an employee or Independent Contractor.
  - Check the appropriate box if the obligor was reported as an:

    ☐Employee

    ☐Independent contractor

  An employer remains responsible to identify whether the named obligor is an employee or independent contractor. IWOs are applicable to employees and non-employees.

  NOTE: This form may be used to withhold from all income sources such as workers compensation, financial institution account annuities, pensions, trust distributions, dividend income, interest payments, and other income as provided by state law.

- **Revised**: Hyperlinks updated to display full URL
- **Revised:** "per daily pay period" – added "(this does not apply to earned wage access)"
- **Revised:** The responsibility remains on the employer to determine if the IWO is for an employee or an independent contractor. IWOs are applicable to employees and non-employees.

Instructions

- Added: OMB Expiration Date
- **Revised** : 1f. Checkboxes:
- Select the checkbox next to "Employee" if the obligor was reported as an employee.
- Select the checkbox next to "Independent Contractor" if the obligor was reported as an independent contractor.
- These checkboxes may be used to indicate the obligor's employment status.   The sender has the option to check one, both, or neither box; however, the checkboxes must be included on the IWO.
- An employer remains responsible for identifying whether the named obligor is an employee or independent contractor. IWOs are applicable to employee and non-employees.
- Incorrect worker status is not a criterion or employers or income withholders to reject an IWO.
- NOTE: This form may be used to withhold from all income sources as provided by state law such as workers' compensation and financial institution accounts.
- **Revised**: Full URLs added

Revised:

NOTE TO EMPLOYER/INCOME WITHHOLDER: An acceptable method of determining the amount to be paid on a weekly or biweekly basis is to multiply the monthly amount due by

12 and divide that result by the number of pay periods in a year. An acceptable method of determining the amount to be paid on a daily basis may be to divide the annual obligation by 260.

- The annual child support obligation is divided by 260 to derive a standardized daily withholding amount because 260 represents the typical number of paid workdays in a full-time work year (52 weeks × 5 workdays).
- This method provides a uniform and predictable allocation of the annual obligation across the employee's earning days, facilitating consistent payroll withholding regardless of variable schedules, intermittent employment, or fluctuating hours.
- For questions or further clarification contact the IWO sender.

- **Added:** 13a. Per Daily Pay Period. Total amount an employer/income withholder should withhold if the employee/obligor is paid daily. "(this does not apply to earned wage access)"