

Child Support and Federal Economic Impact (Stimulus) Payment Frequently Asked Questions

April 20, 2020

The economic impact payments under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116–136) are not subject to federal administrative offset except for child support arrears. Therefore, if a person owes more than \$150 in a public assistance child support case or more than \$500 in a non-public assistance child support case, federal law requires that the economic impact payment be offset up to the total amount of child support owed. This payment will be applied to the parent's child support case and sent to the appropriate party.

Persons Owing Child Support

Q: Will economic impact payments be subject to the Federal Tax Refund Offset program for child support arrears?

A: Yes. If you have an open child support enforcement case under the state's Title IV-D program and owe child support above a certain amount, your stimulus payment is subject to federal offset.

Q: How much of my economic impact payment can be offset to satisfy my delinquent child support debt?

A: Your entire economic impact payment can be offset, up to the amount of your child support debt.

Q: What are the minimum amounts of child support arrears subject to offset?

A: Federal law and regulations determine when federal payments are offset and applied to child support arrears. If Temporary Assistance for Needy Families (TANF) or federal foster care assistance has been received for your child, your payment is subject to offset if you owe at least \$150 in back child support. If such assistance has not been received by your child, your payment is subject to offset if you owe at least \$500 in back child support.

Q: If I owe child support, will I be notified that my federal economic impact payment is going to be offset for past-due child support?

A: Yes. You were sent a notice when your case was initially submitted for federal tax refund offset. The federal government should send an offset notice to you when your economic impact payment has actually been intercepted. The notice will tell you that your economic impact payment has been applied to your child support debt. You can contact Nebraska Child Support at 877-631-9973 if you believe this was done in error.





Q: What if I think my economic impact payment should not have been offset?

A: You can contact Nebraska Child Support at 877-631-9973. You may only dispute the offset of your economic impact payment if:

1. You are not the person named in the court order;
2. The amount of past due support is incorrect; or
3. There is no order for support.

Q: What if I am married to someone who owes child support? Will my federal economic impact payment be offset?

A: If you do not owe child support but you are married to someone who owes child support, you may file an Injured Spouse Claim and Allocation Form 8379 with the IRS. Please visit <https://fiscal.treasury.gov/top/faqs-for-the-public-covid-19.html> for additional filing instructions.

Q: When will the economic impact payment be applied to my child support account and payment disbursed to the parent who receives support?

A: The state child support enforcement program may wait up to six (6) months before disbursing the funds if the economic impact funds were withheld from a joint tax return. This allows a non-obligated spouse an opportunity to recoup a portion of the payment by filing an Injured Spouse Allocation Form with the IRS.

Persons Receiving Child Support

Q: If I am the person receiving child support, and I'm currently receiving or have previously received TANF, Foster care, or Medicaid for my child. Who will receive any money from an economic stimulus payment offset for past-due child support?

A: Federal law dictates how monies received by a state child support agency under the Federal Tax Refund Offset Program are distributed. Federal tax offsets are applied first to assigned arrears owed to the state and then to arrearages owed to the family. If there is money owed to the state, the economic impact payment up to that amount will be retained by the state. The remainder of money will be sent to you, up to the amount of unassigned arrears owed to you.

The amount of money you are entitled to receive will depend on the amount of the economic impact payment offset, the amount owed to you in your case, and the number of other child support cases in which the obligor owes child support arrears. You must also have an open Child Support Enforcement (IV-D) case to be entitled to receive any monies from a federal economic impact payment offset.

Q: If I am the person receiving child support and I've never received TANF, foster care, or Medicaid for my child, will I receive any money from an economic impact payment offset?

A: You may be entitled to receive money from an economic impact payment offset if: you have an open child support enforcement case under the state's Title IV-D program; the obligor owes you child support arrears; and the total past-due child support on all of the obligor's cases meets the threshold amounts set by law. The amount of money you receive will depend on the amount of the economic impact payment offset, the amounts owed to you in your case, and the number of other child support cases in which the obligor owes child support arrears.

Other

Q: What if I have additional questions about the economic impact payments? Am I eligible? What if I don't file a tax return? How will I get the payment?

A: These questions, and others, can be answered by visiting the IRS website at: www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know.

