

Lump Sum Payments and Child Support

Child Support Helpline: (888) 208- 4485
childsupport.ny.gov

TTY: (866) 875-9975 - Relay Service
<http://www.fcc.gov/encyclopedia/trs-providers>

Lump sum payments are income and can be garnished to collect support arrears/past due support for New York's children.

Lump Sum Payments Include (but are not limited to):

- Bonuses
- Commissions
- Income reported on a 1099
- Insurance settlements
- Leave payouts
- Payments resulting from verdicts/settlements
- Retirement incentives
- Severance payments
- Social Security
- Stock Options and Dividends
- Workers' Compensation

Employer/Income Withholder Responsibilities:

Employers and other income withholders are required to report and withhold support arrears/past due support from lump sum payments as follows:

- If the income is compensation for personal services (such as commissions, back pay, and severance payments), withhold the amount of the support arrears/past due support up to the appropriate New York Consumer Credit Protection Act limitation.
- If the income is *not* compensation for personal services (such as benefit, dividend, or interest payments), withhold the **full amount** of support arrears/past due support that is due at the time of the payment.

What to Report:

- Employer/income withholder contact information: name, company name, address, phone, fax, email, and Federal Employer Identification Number;
- Employee/obligor's name and Social Security number;
- New York Case Identifier (see page 1 of the Income Withholding Order/Notice for Support);
- County name associated with the New York Case Identifier;
- Amount of the lump sum payment; and
- Expected payout date.

How to Report:

Email: nysdulumpsum@otda.ny.gov

Phone: Child Support Helpline (888) 208-4485, TTY (866) 875-9975
Monday – Friday 8:00 am – 7:00 pm

Electronic Reporting: New York State participates in the Federal Parent Locator Service (FPLS) State Services Portal (SSP). Electronic reporting is through the Debt Inquiry Service of the FPLS SSP. Contact the Employer Services Team at employerserviceswebapp@acf.hhs.gov to register for fast and efficient electronic reporting.