

ILLINOIS EMPLOYER FACT SHEET



NEW HIRE REPORTING

Effective October 1, 1998, state and federal laws require all employers to report each new and rehired employee.

New hire reporting is the most successful means for locating parents, establishing orders and collecting child support.

HFS and DCSS recognize the work employers do to ensure the success of new hire reporting and income withholding, and appreciate their efforts to ensure children have the necessary financial and medical support they need.

- If a company pays wages to an individual, that company needs to report that individual as a new hire.
- An individual who is an employee for purposes of federal income tax withholding from wages is also an employee for new hire reporting.
- An employee must be reported whether hired on a part-time or full-time basis.
- If an employee filled out a W-4 form, they must be reported.
- If an employee leaves the company for 180 days or more, that employee must be reported upon returning to the company.
- If a company simply refers an individual for employment and does not pay a salary, the company does not need to file a new hire report.
- Labor organizations and hiring halls must report their own employees (individuals who work directly for the labor organization or hiring hall.)

How to Report

Employers can submit information using one of the following methods:

- Online at www.childsupportillinois.com
- The New Hire Reporting form provided by the Illinois Department of Employment Security (<http://www.ides.illinois.gov/IDES%20Forms%20and%20Publications/NewHire.pdf>)
- A copy of the employee's W-4 form, with all information completed legibly, including the employer information
- A separate listing of the new employees, with the required data

Where to Report

Online

Online at www.childsupportillinois.com

By Mail

Illinois New Hire Directory
P.O. Box 19473
Springfield, IL 62794-9473

By Fax

217.557.1947 (24 hour fax line)

By E-mail

DES.NHire@illinois.gov

**Illinois Department
of Healthcare and
Family Services (HFS)**

**Division of Child Support
Services (DCSS)**

P.O. Box 641097
Chicago, IL 60664-1097

**Employer
Customer Service**

888.245.1938 or 312.803.7253

Fax
888.227.0370

*For Additional Information Visit
www.childsupportillinois.com*

IMPORTANT NEWS AND UPDATES

Registered employers can now report New Hires online via File Upload and can also report employee terminations online

**Register online today.
It could save you time and money!**

www.childsupportillinois.com

For assistance with online registration, call 888.245.1938

Multi-State Employers

A multi-state employer may choose to send all New Hire documentation to one state by notifying the United States Department of Health and Human Services by mail or fax to...

Secretary, U.S. Dept. of Health and Human Services
Office of Child Support Enforcement (OCSE)

Multi-State Employer Registration
P.O. Box 509
Randallstown, MD 21133
Fax 410.277.9325

This can also be done online at <https://ocsp.acf.hhs.gov/OCSE>

Income Withholding and the CCPA (Consumer Credit Protection Act)

The CCPA sets limits on withholding from an employee's disposable income based on his/her current family situation and child support payment history. The CCPA protects the employee from having an excessive amount withheld.

Although most states follow the federal limits, some states have enacted laws that provide even more protection of the employee's income.

The withholding limits set by the CCPA and adopted by Illinois are...

50% if the non-custodial parent has other dependents and owes no arrearages or is less than twelve weeks in arrears

55% if the non-custodial parent has other dependents and is over twelve weeks in arrears

60% if the non-custodial parent has no additional dependents and owes no arrearage or is less than twelve weeks in arrears

65% if the non-custodial parent has no other dependents and is over twelve weeks in arrears

For additional assistance in calculating withholding amounts, you may use the allocation calculator available online at:

www.childsupportillinois.com

INCOME WITHHOLDING NOTICE (IWN)

Income Withholding is the court or administratively ordered deduction of a specified amount from a parent's income for payment of child support.

All employers must honor an *Order/Notice to Withhold Income for Support*. Out-of-state *Orders/Notices* are valid throughout the country, including the U.S. territories.

For assistance with Income Withholding, employers can call 888.245.1938.

- Employers do not have to vary their pay cycles to comply with the ordered frequency
- For the employer's convenience, the notice provides the total amount to be withheld per pay cycle – weekly, biweekly, semi-monthly and monthly
- Support payments take priority over all other deductions, except federal (IRS) tax levies entered prior to the date of the child support order (the underlying order, not the Order/Notice)
- If an employee has federal, state or local tax garnishments, the employer should seek confirmation of this withholding priority from the tax agency
- Employers must remit payments to the Illinois State Disbursement Unit (SDU) within 7 days of the date withheld from the employee's paycheck. [SDU, P.O. Box 5400, Carol Stream, IL 60197-5400; Phone 877.664.5738; www.ilsdu.com]

Electronic Income Withholding (e-IWO)

An electronic income withholding (e-IWO) option is available to employers that choose to stop receiving paper IWOs and perform these transactions electronically using a secure portal.

For more information on this option, please call 888.245.1938

NATIONAL MEDICAL SUPPORT NOTICE (NMSN)

The NMSN is the notice employers receive from the state child support agency instructing them to enroll a child(ren) in available dependent health coverage.

Coverage must begin at the earliest possible date following receipt of the National Medical Support Notice.

- The National Medical Support Notice provides that the employee named in the Notice is liable for any employee contributions required under the plan for enrollment of these children
- If additional premiums are incurred as a result of adding the child to the health plan, the employer must withhold the cost of the health premium from the earnings of the employee
- The employer is expected to return the employer Response Form to the issuing agency within 20 business days of receipt if the employee's dependents cannot be enrolled
- If medical coverage is available through the employer, the employer should forward Part B to the Plan Administrator
- The Plan Administrator is to complete the Plan Administrator Response Form and the Health Insurance Report and return both of them to the issuing agency within 40 business days of the original date the NMSN was sent

PRIORITIES FOR WITHHOLDING

The employer may receive a NMSN in conjunction with an *Order/Notice to Withhold Income for Child support* or by itself. If the employer receives both an NMSN and an Order/Notice, deductions should follow the following priority scheme:

- 1st** Current support (if applicable)
- 2nd** Any health premium required by the employer (except, if there is insufficient income to pay the entire premium, then no amount should be deducted for the premium)
- 3rd** Arrearage
- 4th** Delinquency
- 5th** Notice of Levy (wage garnishment other than a federal tax levy entered before the child support order)

DIVISION OF CHILD SUPPORT SERVICES PROVIDES

- Location of Non-Custodial Parents
- Establishment of Paternity - Legal Determination of Child's Father
- Establishment or Modification of Child Support Orders
- Collection of Child Support Order Payments
- Services for Non-Custodial Parents

More information is available at:

www.childsupportillinois.com/general/hfs1759.html

Application for child support services is available at:

www.childsupportillinois.com/customers/apply.html

We encourage you to make this information available to your employees.