A GREAT GATHERING ON A GREAT LAKE

ERICSA 2026

ERICSA 63RD ANNUAL TRAINING CONFERENCE & EXPOSITION

MAY 3–7, 2026

Milwaukee

WISCONSIN

WAGES GONE WILD

Setting Child Support in a Non-Traditional Earnings World

Brandy Burnette

David Love

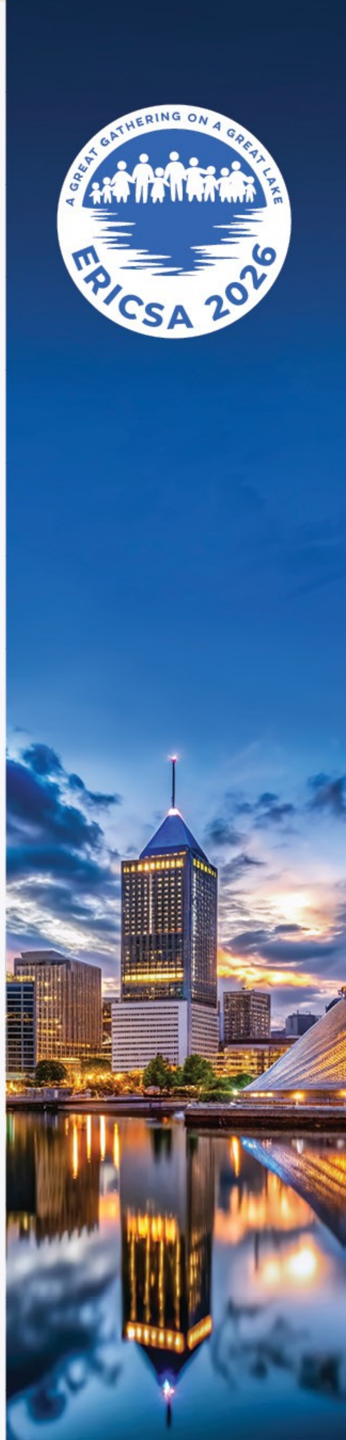
The workforce is changing, and so are the ways parents earn a living. From gig economy jobs and contract work to self-employment and tips-based income, “non-traditional earnings” can make establishing accurate child support orders more complex. Additionally, certain traditional careers can also pose similar challenges. Traditional wage-withholding approaches may not fit, leaving lawyers, case managers, and courts searching for fair, practical solutions. This session will dive into the challenges and opportunities of setting support when income is irregular, variable, or hard to document. Participants will explore tools and strategies for gathering financial information, balancing consistency with flexibility, and ensuring orders are both realistic and enforceable. Attendees will leave with actionable approaches to better serve families while keeping pace with today’s evolving economy.

Types of Child Support Guidelines

- Income Share Model– support is calculated based upon the income of both parents (41 states)
- Percentage of Income Model – support is calculated as a percentage of the noncustodial parent’s income (6 states)
- Melson Formula – a variant of the income shares model which incorporates a minimum reserve income to ensure both parents’ basic needs are met (3 states)

Potential Sources of Adjusted Gross Income Include:

- Wages and Salary
- Commissions*
- Investments
- Dividends
- Interest on Trust Accounts
- Interest on Property
- Workers' Comp Payments
- Unemployment Insurance
- Alimony
- Disability
- Retirement, Pensions, IRA, etc.
- Earned income from Property
- Self-employment
- Other...

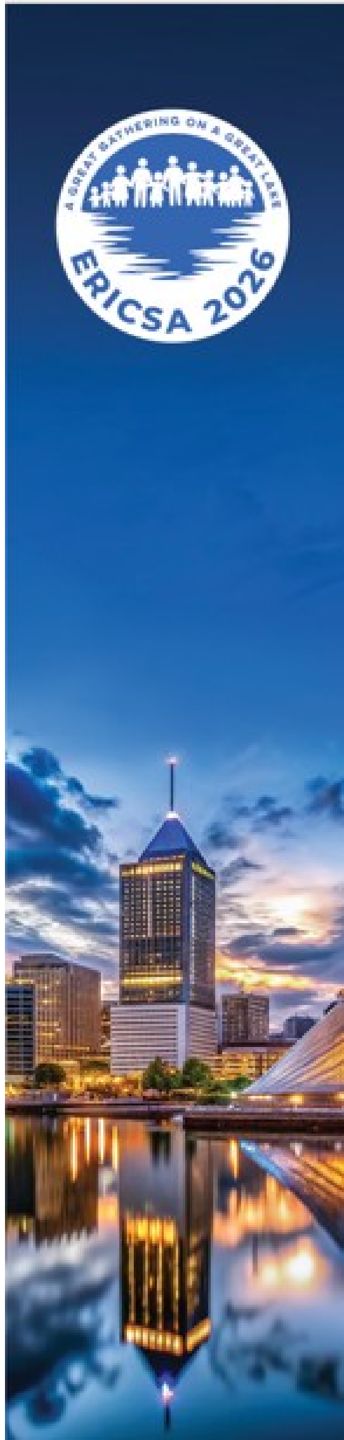


Potential Sources of Adjusted Gross Income Do Not Include

- Public Assistance
- New Spouse’s Income
- Other Child Support

Potential Gross Income Deductions

- Federal, State and Local taxes
- Social Security taxes (includes Medicare)
- Retirement and Disability contributions (mandatory and non-mandatory)
- Existing Court Orders of Support
- Other children in the home



Self-Employment vs. Gig Economy

Control

- Gig**-** Pricing and terms are often set by the app or platform.
- Self Employment- Full control to negotiate rates, terms, and contracts with clients

Self-Employment vs. Gig Economy

Client Acquisition

- Gig - The platform matches the worker with customers automatically

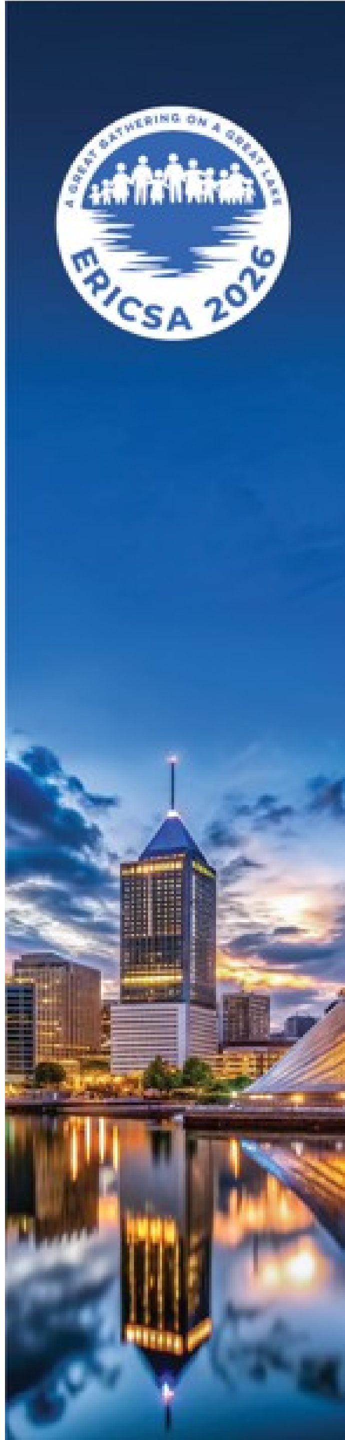
- Self employment - The worker must actively market themselves and find their own clients

Self-Employment vs. Gig Economy

Nature of Work

- Gig - Usually high-volume, short-term, and transactional "gigs".

- Self Employment - Often involves longer-term projects or ongoing client relationships.



Self-Employment vs. Gig Economy

Tools/Equipment

- Gig - Often involves using the platform's app and personal assets (e.g., car).

- Self Employment - Uses personal professional tools (e.g., specialized software, hardware).

Self-Employment vs. Gig Economy

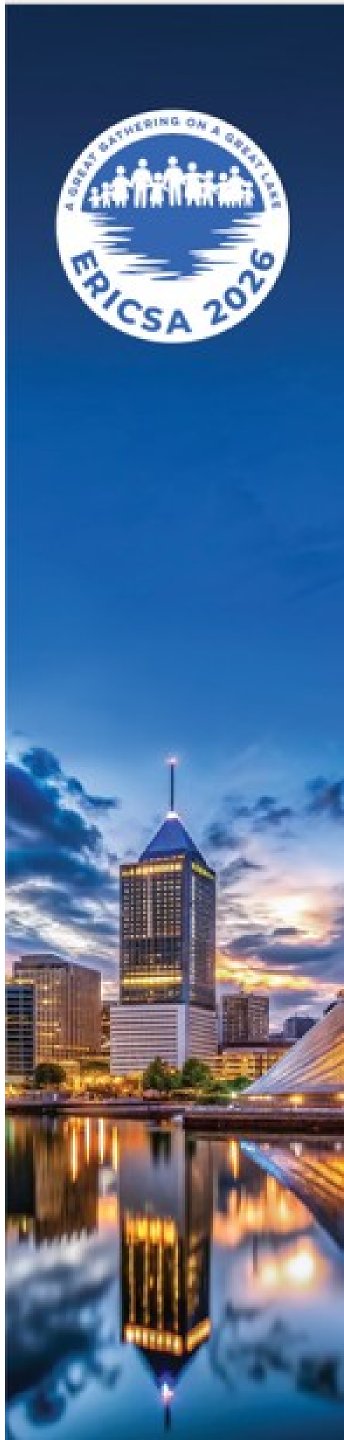
Common Examples

- Gig - Delivery drivers, rideshare drivers, data annotators
- Self Employment - Consultants, graphic designers, writers, accountants, business owners

Self-Employment Income

Self-Employed Individuals:

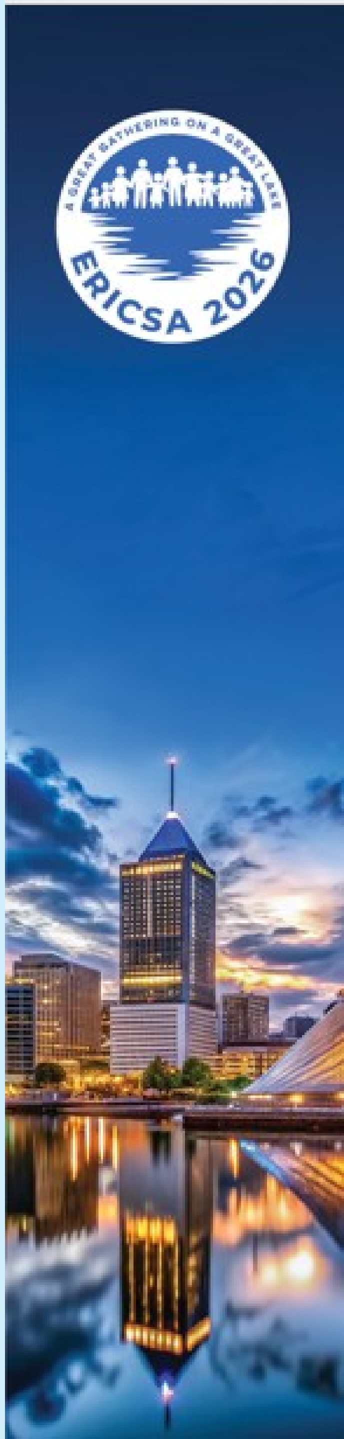
- 1099 Contractor or may receive no tax receipt.
- Income Withholding is often not possible. Paid per contract / transaction.



Self-Employment Income

<u>Income Sources for Self-Employed Individuals</u>

- Contract Labor
- Art / Crafts sold
    - Store-front
    - Etsy-type online seller
- Lawn maintenance
- Barber / Stylist



Self-Employment Income

<u>Deductions for Self-Employed Individuals</u>

- Materials for their trade
- Office/Equipment upkeep
- Taxes
- Payroll
- Fees
- Professional Expenses

- No Vet Bills or Dog Food….unless she is a professional dog trainer!

Self-Employment Income

- For Self-Employed Non-Custodial Parents, Tax Forms are generally the best method of getting accurate wage and deduction information.

Seasonal Income

- What is Seasonal Income?
  - Seasonal income is income that is not consistent year-round due to the nature of the type of employment.
  - Work that is incapable of or customarily not performed twelve months out of the year.

- Examples of Seasonal Work:
  - Farm workers that only work certain periods of the year during harvest (can include grain haulers, not just farm laborers)
  - Lawn Service/Landscape workers that work primarily during the spring/summer/fall

Seasonal Income

- Seasonal workers are, by definition, only employed and working for a certain time period, not year-round.

- Often, seasonal workers receive Unemployment Insurance for the period that seasonal work is not being performed.

Seasonal Income

- Calculating AGI for Seasonal income
  - Determine gross income from **ALL** potential sources that may reasonably be expected to be available to the absent parent
  - Seasonal Workers receive income from both their seasonal work and Unemployment Insurance.
    - Combine the gross income from BOTH sources of income as well as any other income.

Gig Economy

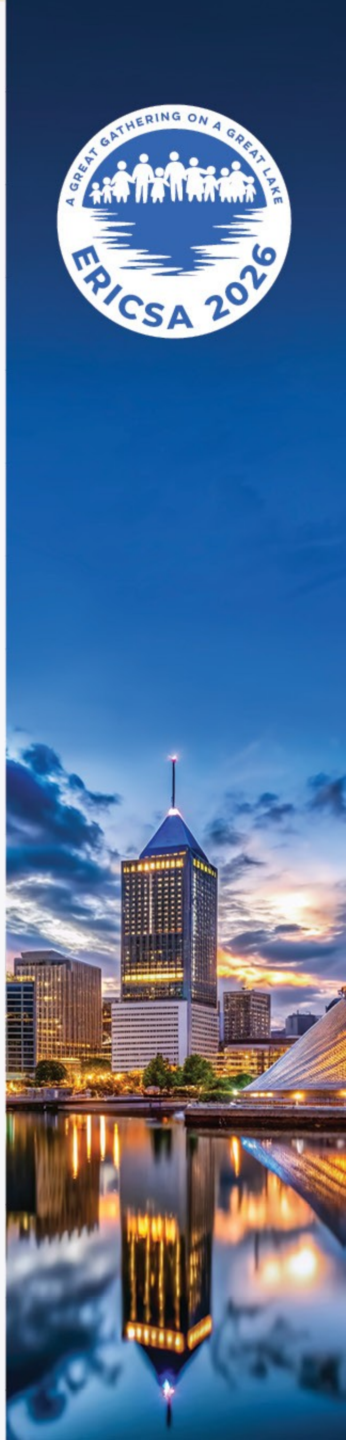
Understanding Gig Economy Employment

- The gig economy refers to a labor market characterized by
- short-term
- flexible jobs
- often facilitated through digital platforms.

Gig Economy

Understanding Gig Economy Employment

- Workers in this sector typically do not have traditional employment arrangements, such as fixed salaries or employer-provided benefits. Instead, they earn income based on tasks completed, hours worked, or services rendered.



Gig Economy

Common Characteristics of Gig Economy

1. Irregular Income: Earnings fluctuate based on
    - demand
    - availability
    - seasonality.
2. Use of Apps/Platforms for short-term on-demand tasks

Gig Economy

Common Characteristics of Gig Economy

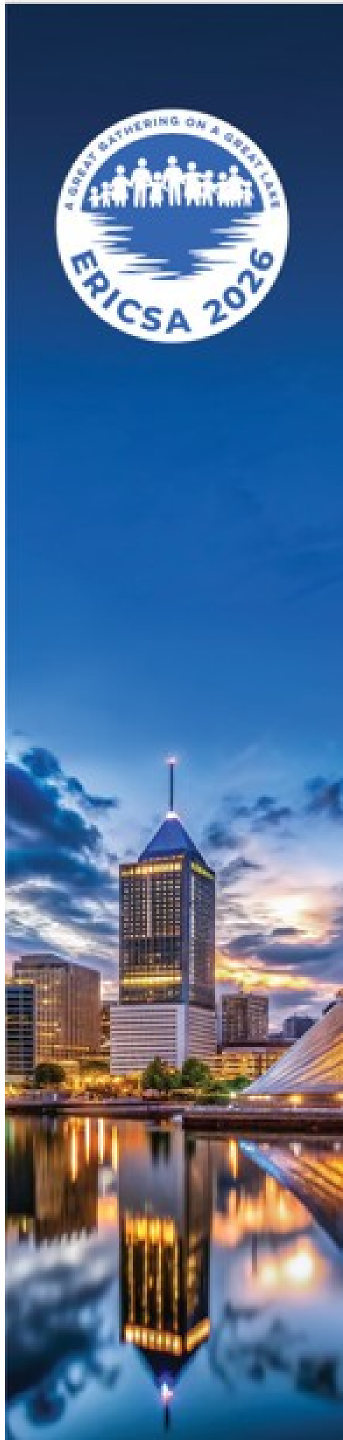
2. Multiple Income Streams: Individuals may work for several platforms or clients simultaneously.

3. Limited Documentation: Income records may consist of digital platform statements, bank deposits, or self-reported earnings rather than W-2 forms.

Gig Economy

Examples of Gig Economy Jobs

- Transportation and Delivery Services (Uber, Lyft, DoorDash, Grubhub, Amazon Flex)
- Freelance and Professional Services (Virtual assistants, IT contractors)
- Home and Personal Services (TaskRabbit, house cleaning)
- Creative and Content Creation (social media influencers, online tutors, YouTube creators).



Gig Economy

Challenges and Considerations

- Income Volatility: Monthly earnings can vary significantly, making short-term data unreliable.
- Increased Job Hopping: by the employer is known, the worker has moved to another gig.
- Cash Payments: Some services may involve cash transactions, which are harder to verify.
- Expense Deductions: Gig workers often incur business expenses (e.g., fuel, equipment), which may affect net income reporting.

Gig Economy

Challenges and Considerations

- New Hire Reporting Gaps: many states do not have the same reporting requirements for independent contractors as more traditional W-2 employees
- Lack of Withholding: many states do not require employers to withhold income for workers who are classified as independent contractors.

Gig Economy

Determining Monthly Income

- Income Averaging: Using a past period of earnings to determine an equitable monthly income accounting for seasonal variations.
- Including all sources: Gig economy workers may have incomes from multiple sources
- Imputing Income: Calculating support based upon what a parent could earn based upon their skills and the local job market
- Alternative Documentation – Using pay stubs, bank deposits, and tax returns.

Ride Share Wages

Total Earning

Completed Trips

Online Hours

Acceptance rate

TOTAL EARNINGS

$1521.05

PAY PERIOD

Dec 19 - Dec 25

131	58h 40m	77%	7
COMPLETED TRIPS	ONLINE HOURS	ACCEPTANCE RATE	DRIVER CANCELLATIONS

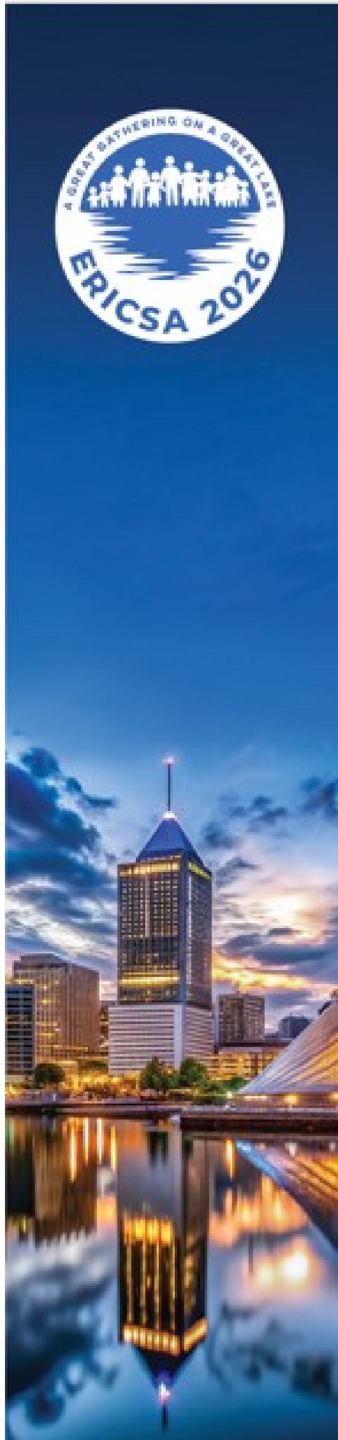
Weekly Earnings

Trip Earnings	$1521.05
Fare	$1317.60
Cancellation	+ $16.00
Boost	+ $47.73
Surge	+ $70.16
Tips	+ $56.00
Toll	+ $1.25
Wait Time	+ $12.31
Total Payout	**$1521.05**

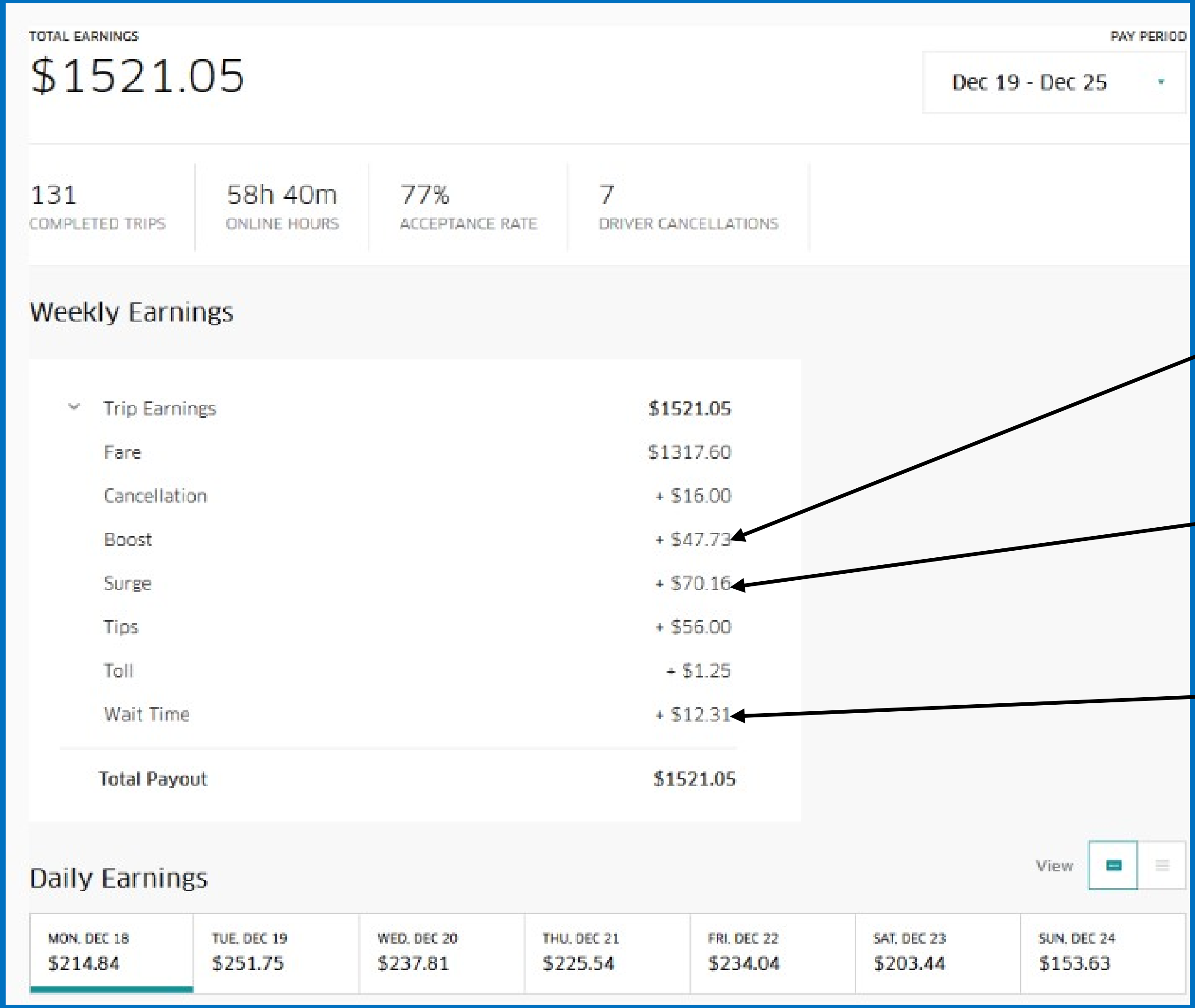
Daily Earnings

View

MON, DEC 18	TUE, DEC 19	WED, DEC 20	THU, DEC 21	FRI, DEC 22	SAT, DEC 23	SUN, DEC 24
$214.84	$251.75	$237.81	$225.54	$234.04	$203.44	$153.63



Ride Share Wages


TOTAL EARNINGS
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Boost

Surge

Wait Time

Ride Share Wages

1099-K

Gross wages

Monthly Wages

CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1455 MARKET ST. SUITE 400
SAN FRANCISCO, CA 94103

FILER'S federal identification no.

PAYEE'S taxpayer identification no.

1a Gross amount of payment card/third party network transactions $ 71,206.90

OMB No. 1545-2205

Form **1099-K**

Payment Card and Third Party Network Transactions

Check to indicate if FILER is a (an):
Payment settlement entity (PSE) [X]
Electronic Payment Facilitator (EPF)/Other third party [ ]

Check to indicate transactions reported are:
Payment card [X]
Third party network [ ]

1b Card not present transactions

2 Merchant category code 4121

Copy B For Payee

3 Number of payment transactions 5504

4 Federal income tax withheld

PAYEE'S name

Street address (including apt. no.)

City or town, state or province, country, and ZIP or foreign postal code

PSE'S name and telephone number

Account number (see instructions)

5a January $ 2,539.66	5b February $ 7,423.15
5c March $ 3,901.53	5d April $ 6,008.37
5e May $ 8,818.96	5f June $ 7,095.64
5g July $ 7,616.72	5h August $ 6,956.96
5i September $ 5,281.52	5j October $ 1,441.44
5k November $ 7,945.16	5l December $ 6,177.79

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.

6 State CA

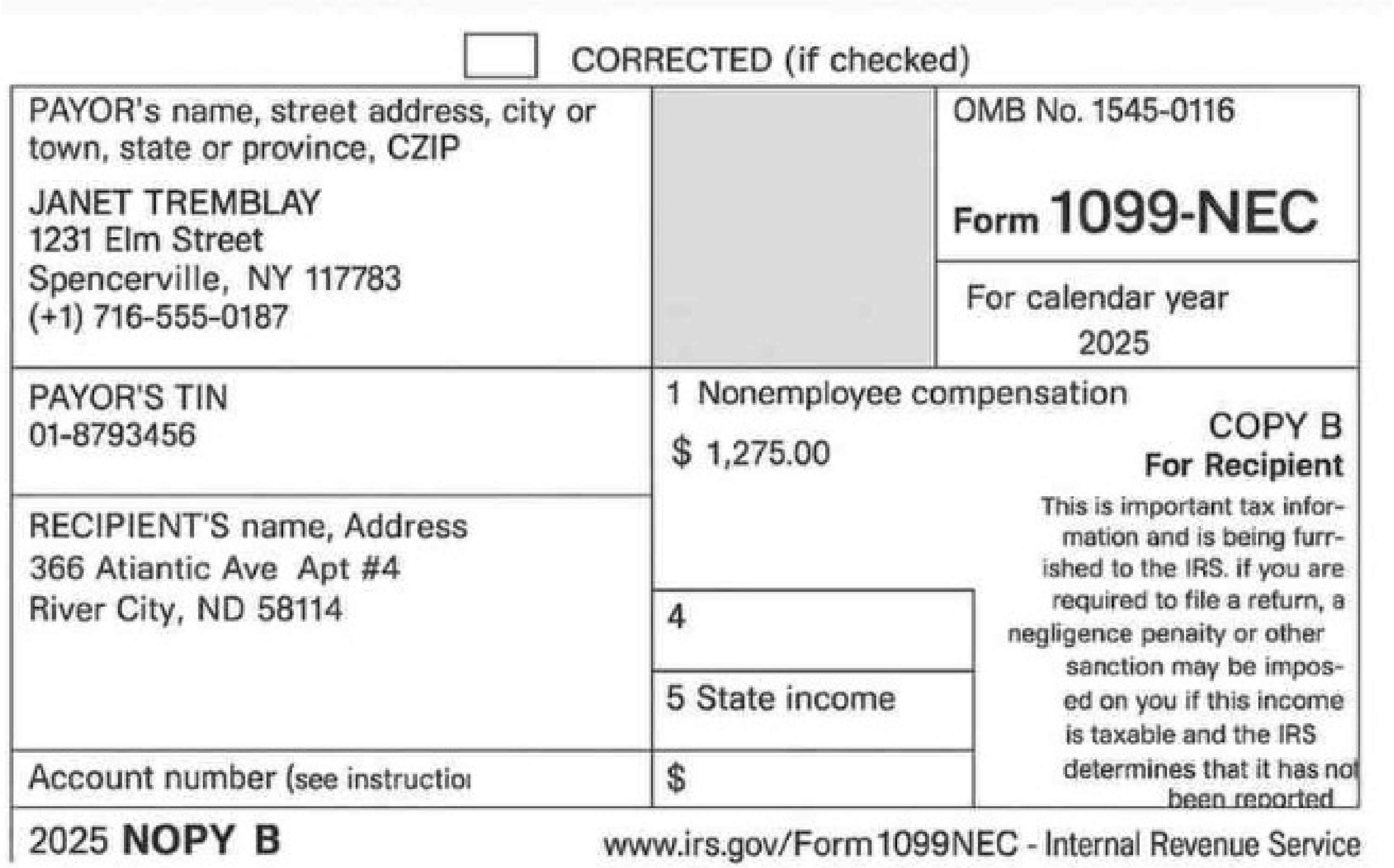
7 State identification no.

8 State income withheld

Ride Share Wages

- 1099-NEC

- Nonemployee compensation
  - Bonuses
  - Referrals
  - incentives



CORRECTED (if checked)

PAYOR's name, street address, city or town, state or province, CZIP

JANET TREMBLAY
1231 Elm Street
Spencerville, NY 117783
(+1) 716-555-0187

OMB No. 1545-0116

Form 1099-NEC

For calendar year 2025

PAYOR'S TIN
01-8793456

1 Nonemployee compensation
$ 1,275.00

COPY B
For Recipient

This is important tax information and is being furrished to the IRS. if you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported

RECIPIENT'S name, Address
366 Atiantic Ave Apt #4
River City, ND 58114

4

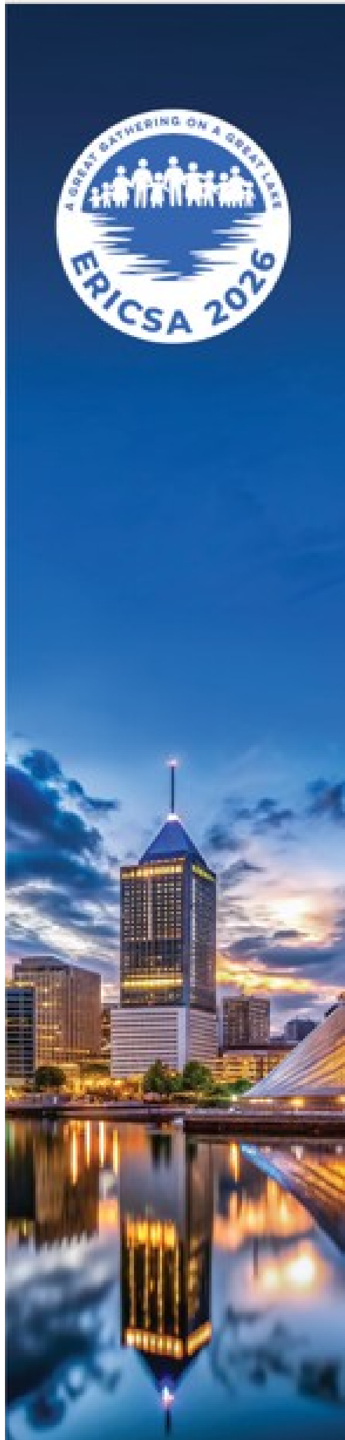
5 State income

Account number (see instructio

$

2025 **NOPY B**

www.irs.gov/Form1099NEC - Internal Revenue Service



Ride Share Wages

Tax Summary

Net income

Deductions

Total Earnings

Tax Summary for 2023

Thanks for doing driving with Uber in 2023. Below is a breakdown of your earnings over the year that may help you file your taxes.

Driving Totals	3,080	22,566
Online Miles shows all of the miles you drove while online, including off trip miles.	COMPLETED TRIPS	ONLINE MILES

Your Gross Payment

Total Trip Earnings from Uber plus any other additional earnings

Reportable Payments	
Gross Trip Earnings	+ $43,820.26
Total Additional Earnings	+ $10,571.22
	$54,391.48

Expenses, Fees and Tax

Expenses, Fees and Tax. For a complete breakdown, please refer to table 1 on page 2.

Expenses, Fees and Tax	+ $22,034.08
	$22,034.08

Your Net Payout

Not for tax filing purposes. This amount represents what was paid in your bank account.

Net Earnings	+ $32,356.31
Reimbursements: Tolls, Airport fees and Surcharges	+ $1.09
	$32,357.40

Ride Share Wages

To Whom it May Concern,

We are writing to confirm that we have received the withholding order, dated February 04, 2026.

Please note that is an independent contractor and has a partnership with Uber as a driver; they are not offered health coverage. has access to the Uber App and can complete trips using the Uber App at his/her discretion. Uber will comply with the garnishment order as required and withhold a portion of any future payments processed on our platform contingent on continued use and access of the Uber App. Uber does not otherwise have in its possession any earnings, funds or payments owed to

Please reach out if you have any further questions.

Uber will comply with the garnishment order as required and withhold

Sincerely,

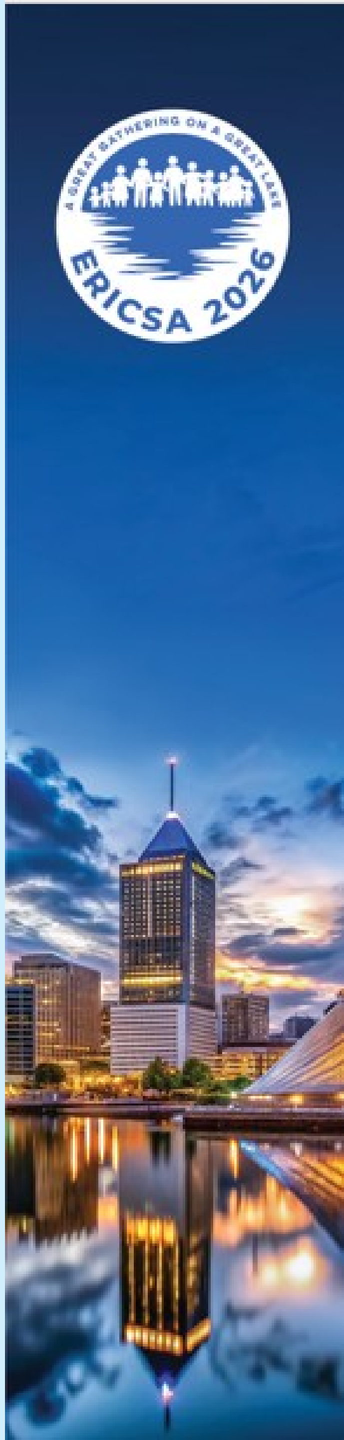
Garnishments Team
garnishments@uber.com
Fax: (415) 868-3965

NM

Truck Driving Wages

- Employee Driver

- Owner – Operator Driver



Truck Driving Wages

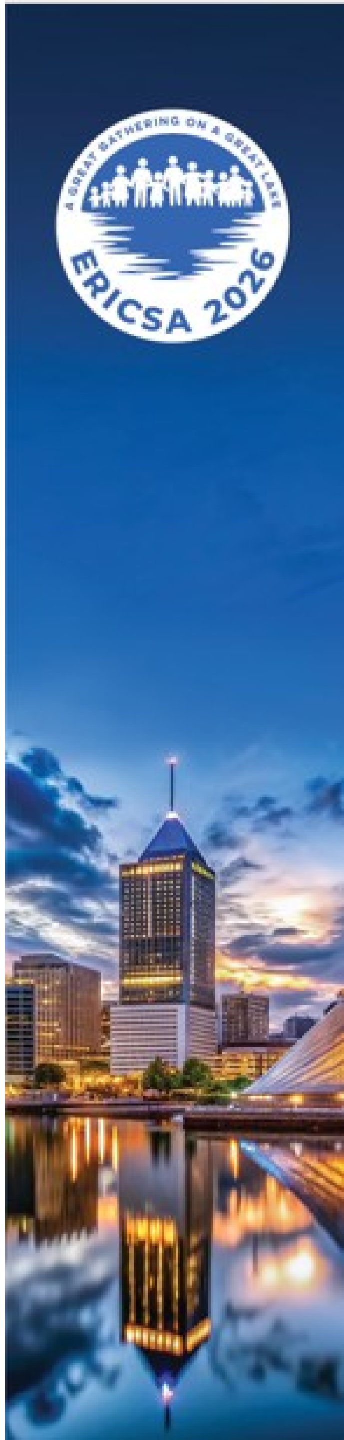
Employee Driver

- W-2 Employee
- Wage Withholding Order sent to Employer
- Paid per date cycle

Truck Driving Wages

Owner-Operator Driver

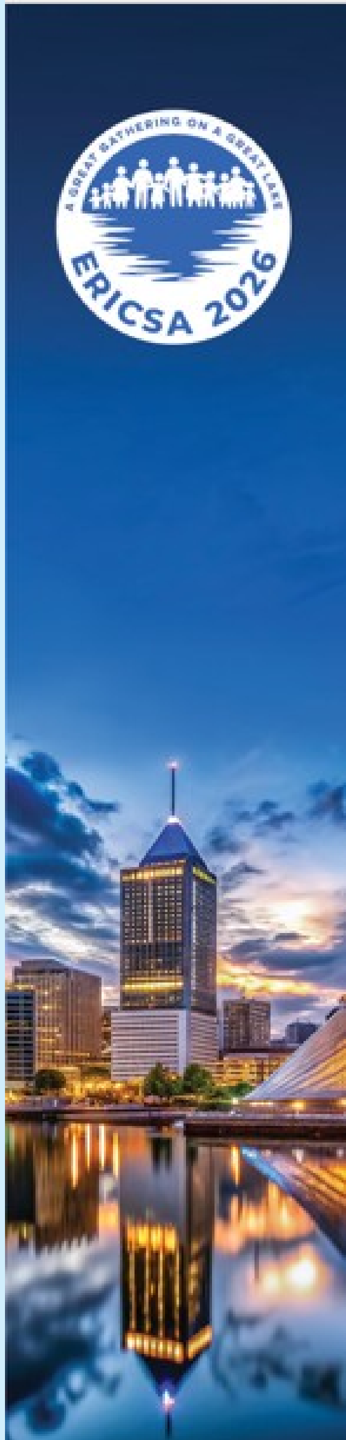
- 1099 Contractor
- Wage Withholding Order *may* be honored by company if Non-Residential Parent is a Contractor.
- Paid per load or contract.



Truck Driving Wages

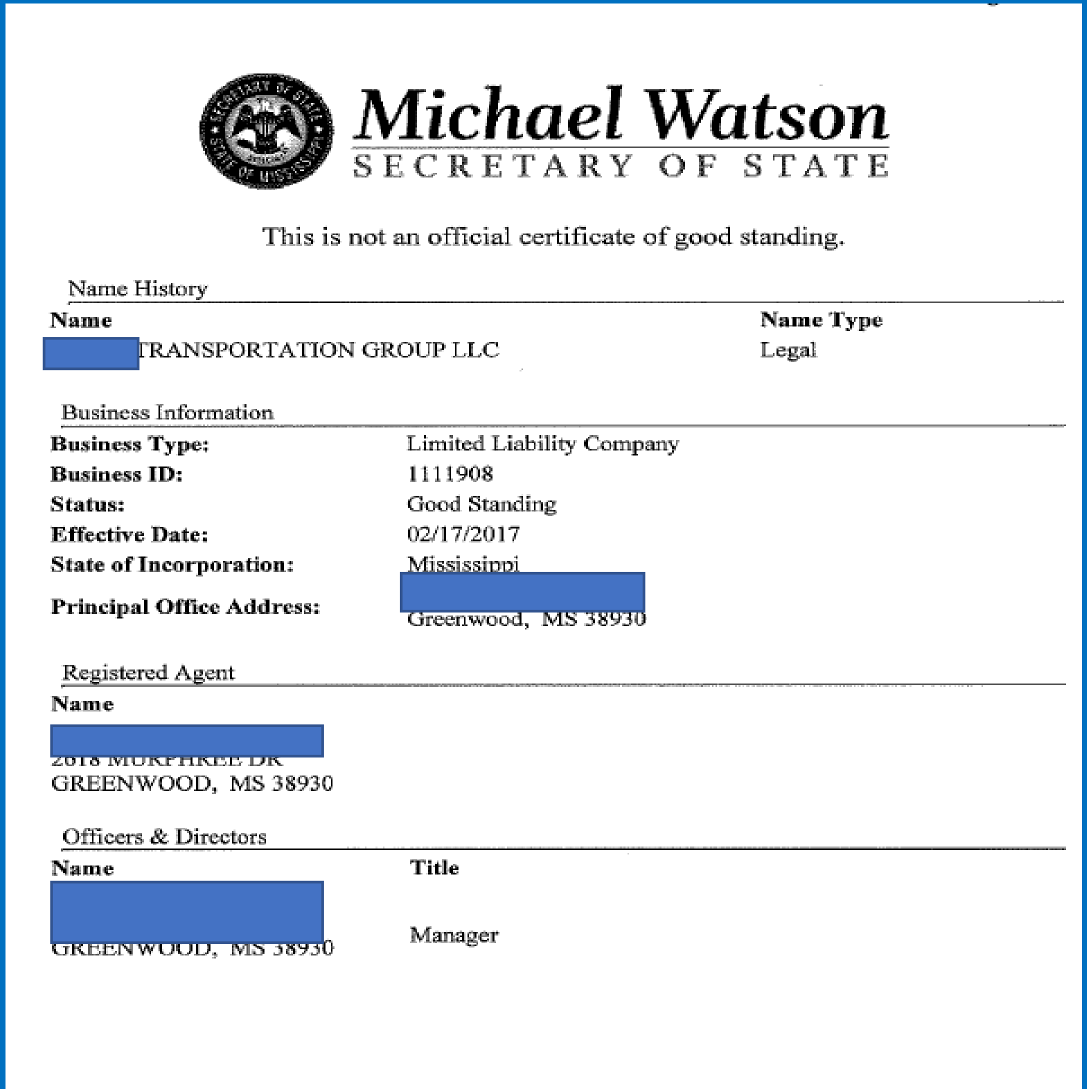
Owner-Operator Driver

- As with any self-employed person, there will be larger income amounts, but also expenses to run the “business” of driving.
- How do we get the most accurate Adjusted Gross Income from the documents we may be given from the Non-Residential Parent?



Truck Driving Wages

Does the Non-Residential Parent own the company?



Michael Watson
SECRETARY OF STATE

This is not an official certificate of good standing.

Name History

Name	Name Type
[redacted] TRANSPORTATION GROUP LLC	Legal

Business Information

Business Type:	Limited Liability Company
Business ID:	1111908
Status:	Good Standing
Effective Date:	02/17/2017
State of Incorporation:	Mississippi
Principal Office Address:	[redacted] Greenwood, MS 38930

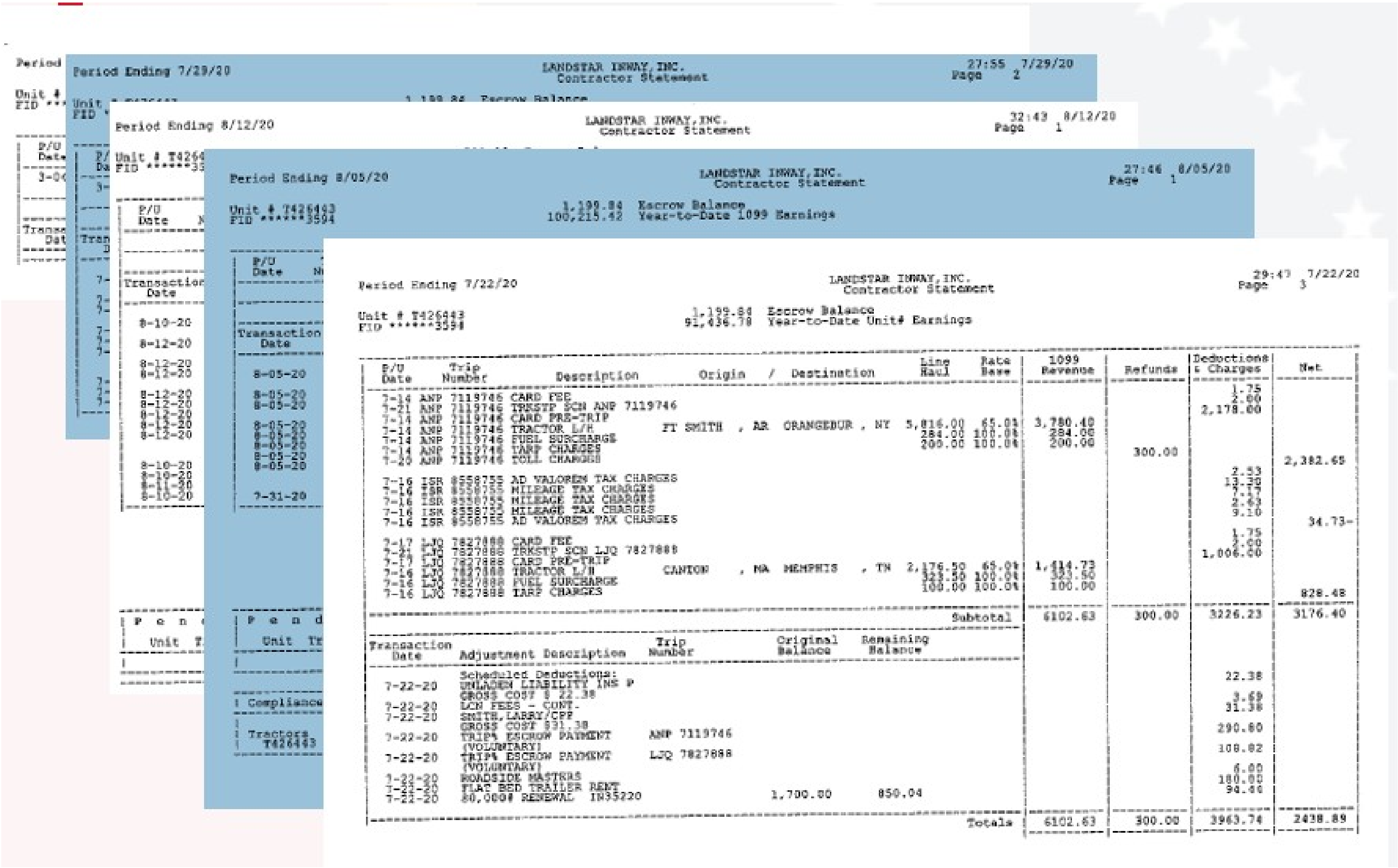
Registered Agent

Name
[redacted]
GREENWOOD, MS 38930

Officers & Directors

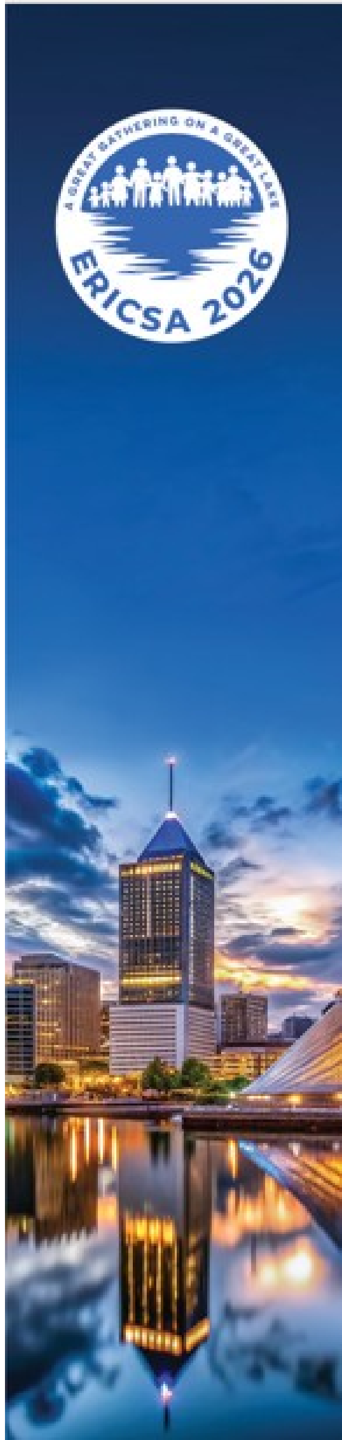
Name	Title
[redacted]	Manager

Truck Driving Wages



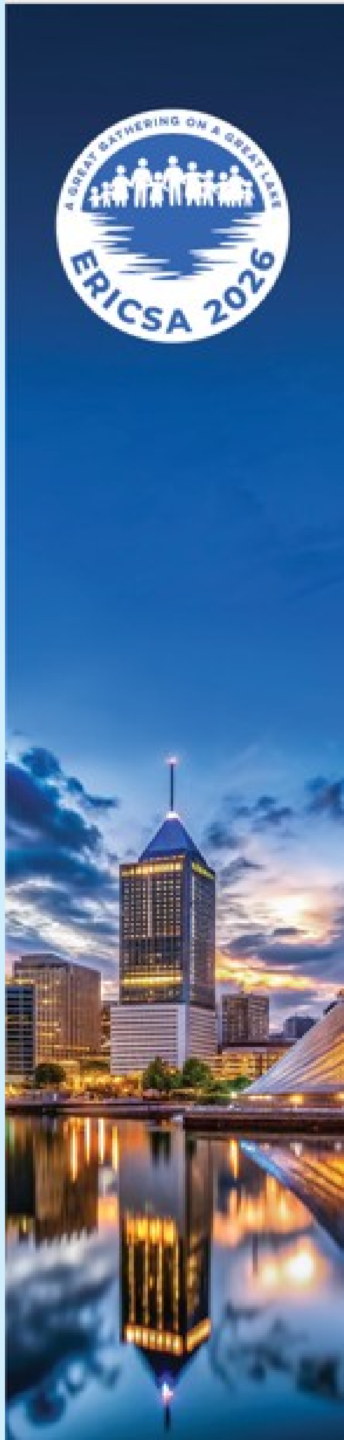
```
Period Ending 7/22/20                 LANDSTAR INWAY,INC.                         29:47  7/22/20
                                      Contractor Statement                        Page      3

Unit # T426443                 1,199.84  Escrow Balance
FID ******3594                91,436.78  Year-to-Date Unit# Earnings

 P/U   Trip                                                    Line     Rate  |  1099   |         |Deductions|
 Date  Number      Description        Origin  /  Destination   Haul     Base  | Revenue | Refunds | & Charges|    Net
 7-14 ANP 7119746 CARD FEE                                                                              1.75
 7-21 ANP 7119746 TRKSTP SCN ANP 7119746                                                                2.00
 7-14 ANP 7119746 CARD PRE-TRIP                                                                     2,178.00
 7-14 ANP 7119746 TRACTOR L/H   FT SMITH , AR  ORANGEBUR , NY  5,816.00  65.0%  3,780.40
 7-14 ANP 7119746 FUEL SURCHARGE                                 284.00 100.0%    284.00
 7-14 ANP 7119746 TARP CHARGES                                   200.00 100.0%    200.00
 7-20 ANP 7119746 TOLL CHARGES                                                              300.00               2,382.65

 7-16 ISR 8558755 AD VALOREM TAX CHARGES                                                                2.53
 7-16 ISR 8558755 MILEAGE TAX CHARGES                                                                  13.30
 7-16 ISR 8558755 MILEAGE TAX CHARGES                                                                   7.17
 7-16 ISR 8558755 MILEAGE TAX CHARGES                                                                   2.63
 7-16 ISR 8558755 AD VALOREM TAX CHARGES                                                                9.10     34.73-

 7-17 LJQ 7827888 CARD FEE                                                                              1.75
 7-21 LJQ 7827888 TRKSTP SCN LJQ 7827888                                                                2.00
 7-17 LJQ 7827888 CARD PRE-TRIP                                                                     1,006.00
 7-16 LJQ 7827888 TRACTOR L/H   CANTON  , MA  MEMPHIS  , TN    2,176.50  65.0%  1,414.73
 7-16 LJQ 7827888 FUEL SURCHARGE                                 323.50 100.0%    323.50
 7-16 LJQ 7827888 TARP CHARGES                                   100.00 100.0%    100.00                          828.48
                                                                   Subtotal      6102.63    300.00   3226.23    3176.40

Transaction                                 Trip         Original   Remaining
   Date     Adjustment Description          Number       Balance    Balance
            Scheduled Deductions:
 7-22-20    UNLADEN LIABILITY INS P                                                                   22.38
            GROSS COST $ 22.38
 7-22-20    LCN FEES - CONT.                                                                           3.69
 7-22-20    SMITH,LARRY/CPF                                                                           31.38
            GROSS COST $31.38
 7-22-20    TRIP% ESCROW PAYMENT            ANP 7119746                                              290.80
            (VOLUNTARY)
 7-22-20    TRIP% ESCROW PAYMENT            LJQ 7827888                                              108.02
            (VOLUNTARY)
 7-22-20    ROADSIDE MASTERS                                                                           6.00
 7-22-20    FLAT BED TRAILER RENT                                                                    180.00
 7-22-20    80,000# RENEWAL  IN35220                     1,700.00    850.04                           94.46
                                                                   Totals        6102.63    300.00   3963.74    2438.89
```

How about 115 pages of this type report?



Truck Driving Wages

- Owner-Operator Payment Settlement Summary
  - Example #1 was provided by a company showing payment per load, fuel charges, fuel reimbursements, as well as other deductions, earnings, and reimbursements to a contracted Owner-Operator.



Truck Driving Wages

Owner Operator Paid Settlement Summary Page 1

Pay period: 01/05/2021 - 01/11/2021

Origin	Destination	Loaded	Miles	Tractor	Ship DT	Delivery DT	Gross Pay	Rate	Net Pay
SETTLEMENT 0679322									
COLUMBUS	MS JEFFERSONVILLE IN	Loaded	420.0	0144	01/04/21	01/05/21	$1,752.00	70.00% Percentage	$1,226.40

Order Deductions/Earnings

Type	Description	Memo	Date	Unit	Rate	
Reimbursement	Fuel Surcharge Reimbursement		01/05/21	1.00	175.200	$175.20
				ORDER TOTAL		$1,401.60

Driver's Percentage of Load payment

Reimbursable amount for Fuel

Driver's total for Load

Truck Driving Wages

Owner Operator Paid Settlement Summary **Page 2**

Pay period: 01/05/2021 - 01/11/2021

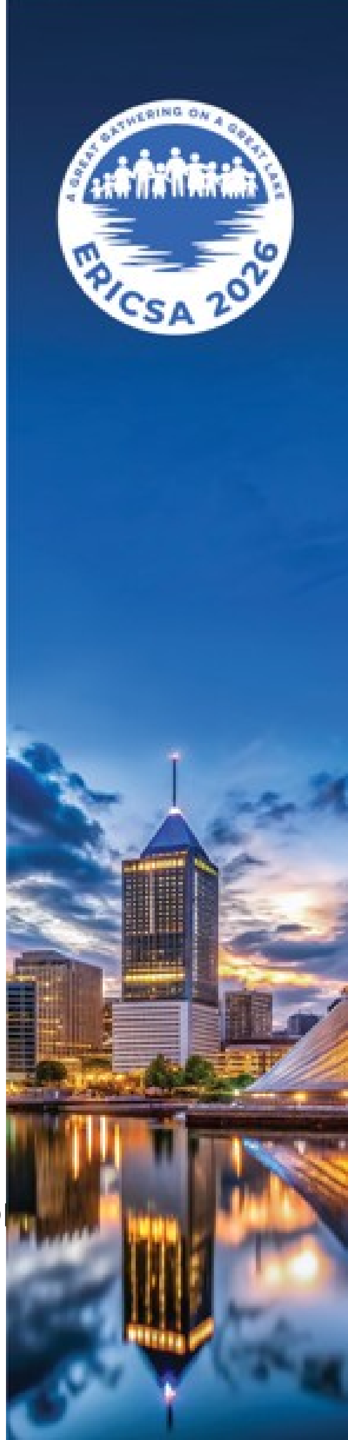
Origin	Destination	Loaded	Miles	Tractor	Ship DT	Delivery DT	Gross Pay	Rate	Net Pay
Deduction	Fuel: 0144 JACKSON TN			845013687		01/04/21	1.00	195.880	-$195.88
Deduction	DEF: 0144 JACKSON TN			845013687		01/04/21	1.00	16.050	-$16.05
Deduction	Fees: 0144 JACKSON TN			845013687		01/04/21	1.00	1.000	-$1.00
Deduction	Fuel: 0144 DICKSON TN			845318241		01/05/21	1.00	256.310	-$256.31
Deduction	DEF: 0144 PICKENS MS			845549118		01/06/21	1.00	34.880	-$34.88
Deduction	Fees: 0144 PICKENS MS			845549118		01/06/21	1.00	0.250	-$0.25
Deduction	Fuel: 0144 DICKSON TN			845777310		01/07/21	1.00	201.640	-$201.64
Deduction	Fees: 0144 DICKSON TN			845777310		01/07/21	1.00	1.000	-$1.00
Deduction	Fuel: 0144 BATESVILLE MS			846145064		01/08/21	1.00	110.510	-$110.51
Deduction	DEF: 0144 BATESVILLE MS			846145064		01/08/21	1.00	20.130	-$20.13
Deduction	Fees: 0144 BATESVILLE MS			846145064		01/08/21	1.00	1.000	-$1.00
Deduction	Fuel: 0144 WINONA MS			846573526		01/10/21	1.00	169.170	-$169.17
									-$1,007.82

Actual cost for Fuel,
DEF (diesel additive), and Fees incurred by driver

Total Pay Deductions fo Fuel, DEF, and Fees

SUBTOTAL FOR DRIVER

ORDER PAY:	$5,118.28
DRIVER DEDUCTIONS/EARNINGS:	-$1,007.82
DRIVER NET PAY:	$4,110.46



Truck Driving Wages

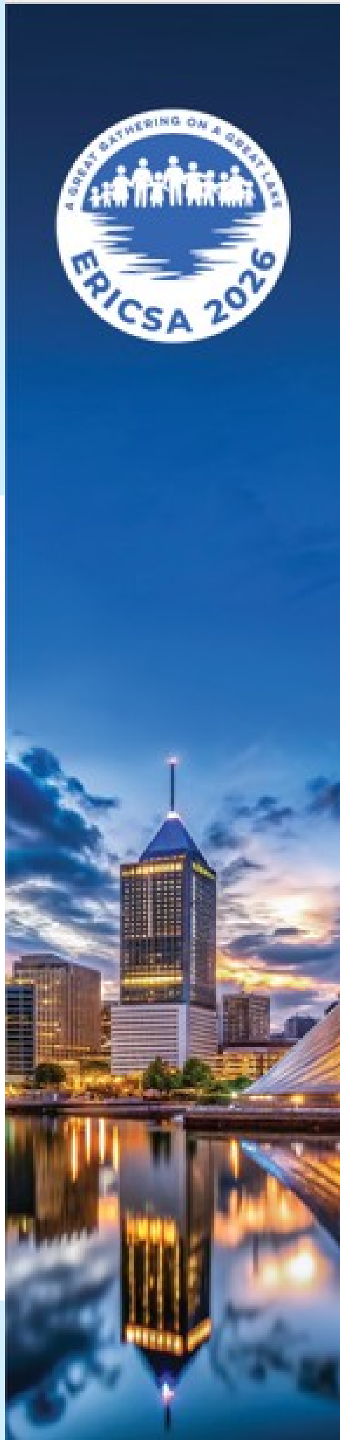
- Additional Deductions for pay period

Description	Memo	Date	Unit	Rate	
Nov. 2020 Fuel Tax Fuel 0144		01/04/21	1.00	22.510	-$22.51
Occupational Acc. Ins - lease		01/04/21	1.00	47.000	-$47.00
TRIP PACK/TRANSFLOW		01/04/21	1.00	3.000	-$3.00
WINDHAM FINANCIAL SERVICE		01/04/21	1.00	20.000	-$20.00
Physical Damage Ins - 0144		01/04/21	1.00	81.250	-$81.25
Bobtail Insurance		01/04/21	1.00	35.000	-$35.00
Fuel Taxes		01/04/21	1.00	5.000	-$5.00
QUALCOMM		01/04/21	1.00	65.000	-$65.00
DOT Inspection - Deduction		01/11/21	1.00	55.000	-$55.00
Occupational Acc. Ins - lease		01/11/21	1.00	47.000	-$47.00
TRIP PACK/TRANSFLOW		01/11/21	1.00	3.000	-$3.00
WINDHAM FINANCIAL SERVICE		01/11/21	1.00	20.000	-$20.00
Lease Escrow Deposit O/OP		01/11/21	1.00	300.000	-$300.00
					-$703.76

Accident Insurance
Logistics/Payroll Software
CPA cost
Insurance for when not carrying a load
Communication System

Accident Insurance
Logistics/Payroll Software
CPA cost
Escrow for maintenance costs

NCP did not work the Previous week, so deductions were repeated



Truck Driving Wages

- Other Earnings/Reimbursements

EARNINGS

Order Number	Description	Memo	Date	Unit	Rate	
	DRIVER REFERRAL BONUS	GROVTH	01/11/21	1.00	500.000	$500.00
						$500.00

REIMBURSEMENTS

Order Number	Description	Memo	Date	Unit	Rate	
	OPS ESCROW REIMBURSE		01/04/21	1.00	22.510	$22.51
	OPS ESCROW REIMBURSE		01/11/21	1.00	55.000	$55.00
						$77.51

Truck Driving Wages

Wage Calculation:

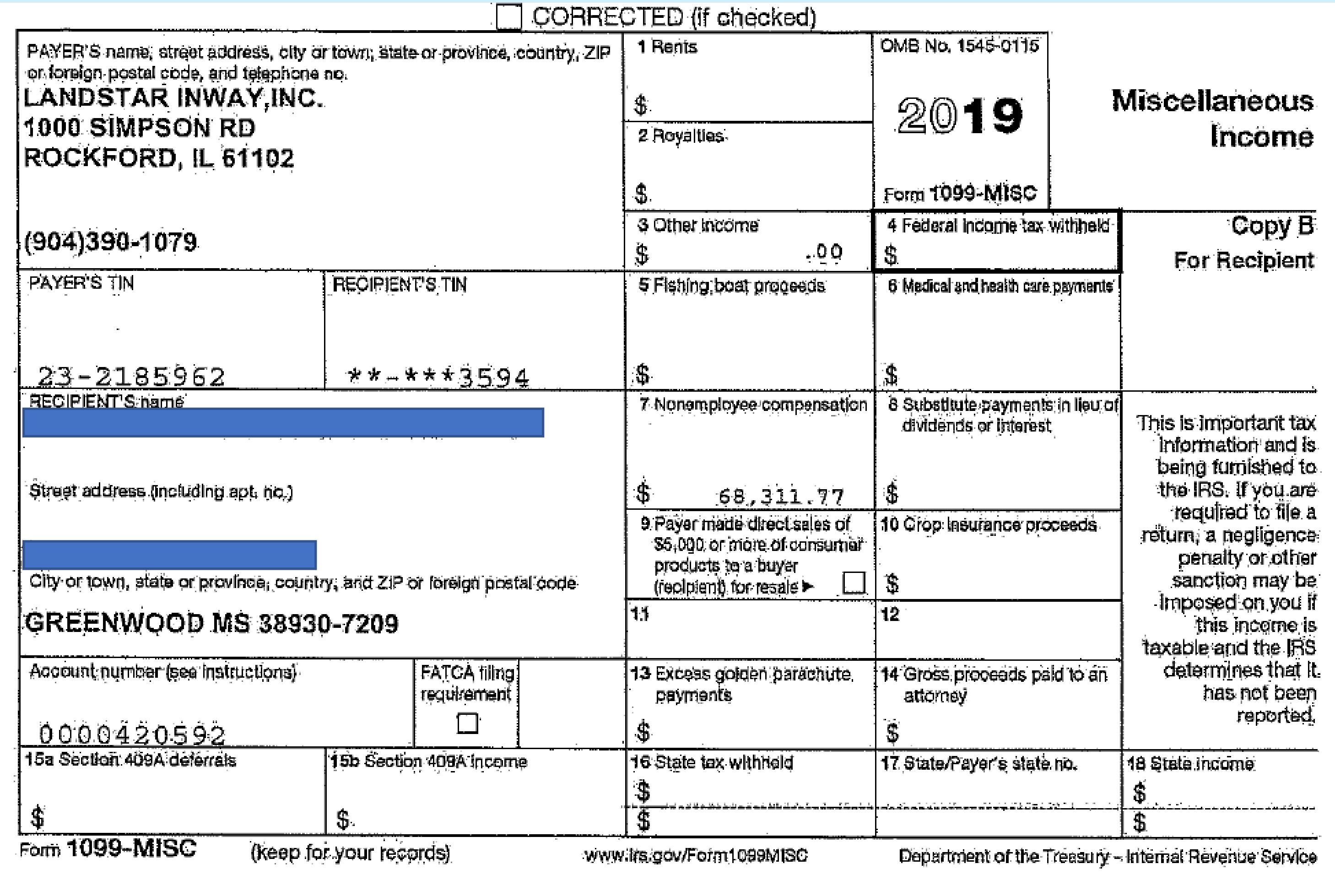
- Income:
  - $1226.40 - settlement
  - $5118.28 - settlement
  - $175.20 – fuel reimbursement
  - $500.00 – driver referral bonus
  - $77.51 – escrow reimbursement
- Deductions
  - $1007.82
  - $703.76
- Income to Driver: $5385.81
- Less taxes (income tax and self-employment tax): $3500.78

Truck Driving Wages

- Owner-Operator Payment – solely through 1099
  - Example 2 was provided by a Non-Custodial Parent showing Gross Company Payments, as well as Tax Forms with deductions for fuel charges, equipment/truck repair, as well as other deductions, earnings, and reimbursements as a self-employed Owner-Operator.

Truck Driving Wages

- Business 1099s



☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.
LANDSTAR INWAY,INC.
1000 SIMPSON RD
ROCKFORD, IL 61102

(904)390-1079

1 Rents
$

2 Royalties
$

3 Other income
$ .00

OMB No. 1545-0115
2019
Form 1099-MISC

Miscellaneous Income

4 Federal income tax withheld
$

Copy B
For Recipient

PAYER'S TIN
23-2185962

RECIPIENT'S TIN
-*3594

5 Fishing boat proceeds
$

6 Medical and health care payments
$

RECIPIENT'S name
[redacted]

Street address (including apt. no.)
[redacted]

City or town, state or province, country, and ZIP or foreign postal code
GREENWOOD MS 38930-7209

7 Nonemployee compensation
$ 68,311.77

8 Substitute payments in lieu of dividends or interest
$

9 Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale ► ☐

10 Crop insurance proceeds
$

11

12

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Account number (see instructions)
0000420592

FATCA filing requirement ☐

13 Excess golden parachute payments
$

14 Gross proceeds paid to an attorney
$

15a Section 409A deferrals
$

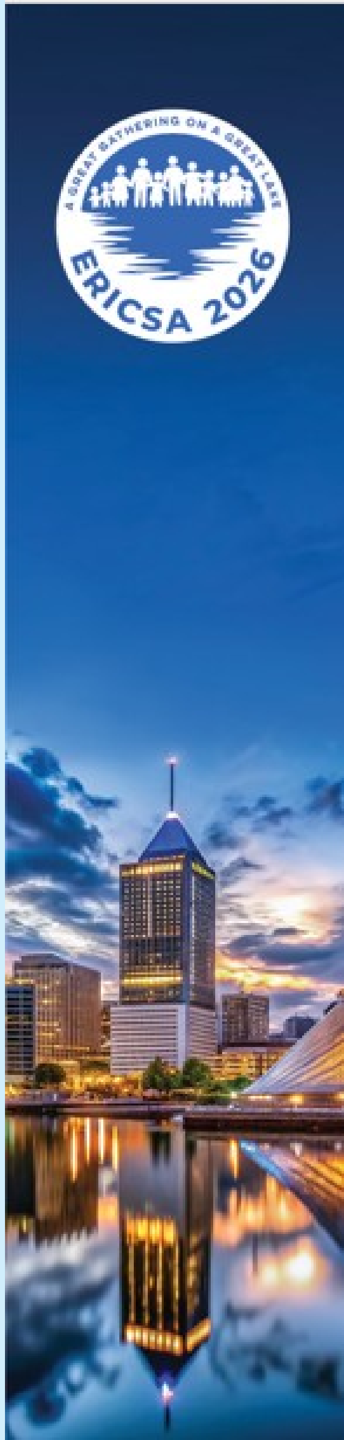
15b Section 409A income
$

16 State tax withheld
$
$

17 State/Payer's state no.

18 State income
$
$

Form 1099-MISC (keep for your records) www.irs.gov/Form1099MISC Department of the Treasury - Internal Revenue Service



Truck Driving Wag

- Schedule C from Form 1040

Gross Receipts
Net Profit/(Loss)

1. Office Expenses
2. Vehicles Mach. & Equip.
3. Repairs & Maint.
4. Supplies
5. Taxes/Licenses
6. Meals
7. Utilities
8. Other

103,485
0
(16,022)
500
11,000
28,556
4,254
4,658
5,270
5,536
53,294

SCHEDULE C (Form 1040 or 1040-SR)
Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)
▶ Go to www.irs.gov/ScheduleC for instructions and the latest information.
▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074
2019
Attachment Sequence No. 09

Name of proprietor [redacted] Social security number (SSN) [redacted]

Principal business or profession, including product or service (see instructions)
T DRIVER
B Enter code from instructions ▶ 484120
Business name. If no separate business name, leave blank.
D Employer ID number (EIN) (see instr.)
Business address (including suite or room no.) ▶ P O BOX 135
City, town or post office, state, and ZIP code Greenwood, MS 38930
F Accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) ▶
G Did you "materially participate" in the operation of this business during 2019? If "No," see instructions for limit on losses ☒ Yes ☐ No
H If you started or acquired this business during 2019, check here ▶
I Did you make any payments in 2019 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ No
J If "Yes," did you or will you file required Forms 1099? ☐ Yes ☒ No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked ▶ ☐	1	103,485
2	Returns and allowances	2	0
3	Subtract line 2 from line 1	3	103,485
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	103,485
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross income. Add lines 5 and 6 ▶	7	103,485

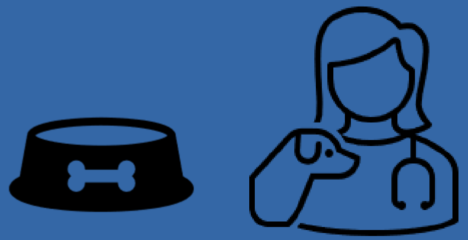
Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense (see instructions)	18	500
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	11,000
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	28,556
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	4,254
15	Insurance (other than health)	15	5,944	23	Taxes and licenses	23	4,658
16	Interest (see instructions):			24	Travel and meals:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals (see instructions)	24b	5,270
17	Legal and professional services	17	495	25	Utilities	25	5,536
				26	Wages (less employment credits)	26	
				27a	Other expenses (from line 48)	27a	53,294
				b	Reserved for future use	27b	

28	Total expenses before expenses for business use of home. Add lines 8 through 27a ▶	28	119,507
29	Tentative profit or (loss). Subtract line 28 from line 7	29	(16,022)
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: ___ and (b) the part of your home used for business: ___ . Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040 or 1040-SR), line 3 (or Form 1040-NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and	31	(16,022)

Truck Driving Wages

- Other Expenses
- Schedule C Example



Part V	Other Expenses. List below business expenses not included on lines 8-26 or line 30.
DIESEL AND FUEL	44,355
TRUCK WASH	1,400
TOLLS	1,209
EQUIPMENT	4,400
VET FEES AND FOOD	1,930
48 Total other expenses. Enter here and on line 27a 48	53,294

Truck Driving Wages

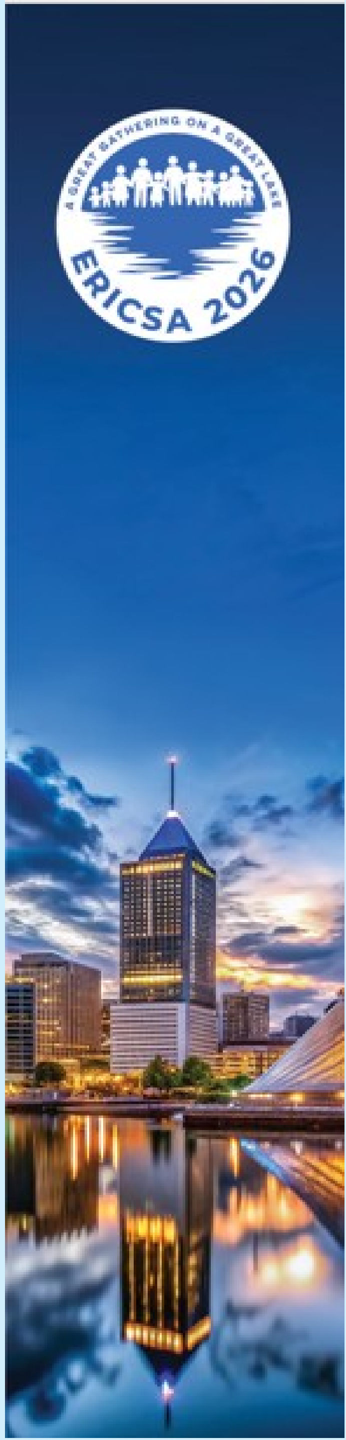
Same Example, 2020

Schedule C

1. Gross Receipts - $21,970
2. Total Expenses – $14,999
3. Profit - $6,971.00

How to determine the current income in 2021?

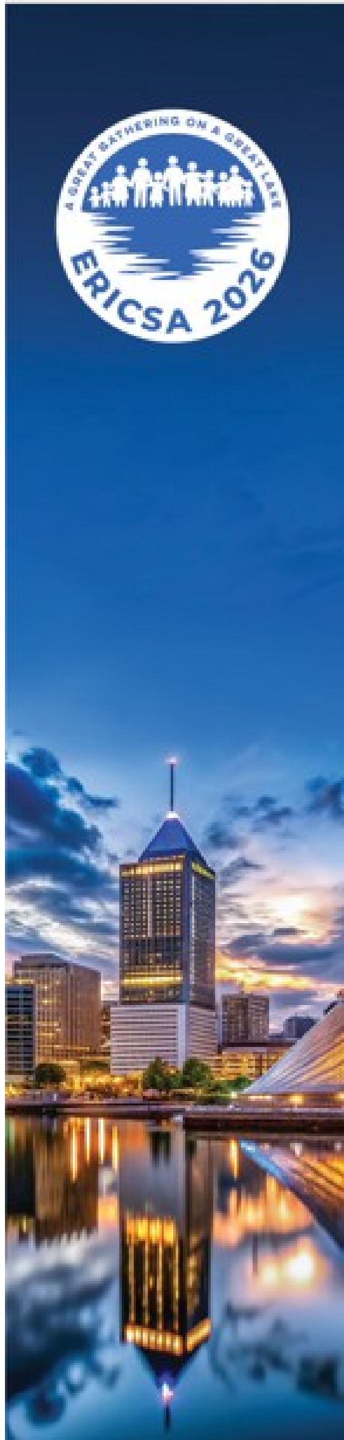
- In this case, the NRP told the attorney the current 2021 income equaled the contract in the first, prior 1099. Support was calculated based on those numbers - less Deductions: Self-Employment Tax, Federal Tax, State Tax, FICA, Prior Order.
    - How would you have calculated this one without having that knowledge from NCP?



Benefits and Assistance

Social Security Disability Insurance (SSDI)

- A.K.A. Title 2 Disability.
- Program is funded by Social Security taxes.
- Children (and surviving spouses under certain conditions) are eligible for payments based on the SSDI claim of parent or deceased spouse.
- We can withhold from SSDI payments.



Benefits and Assistance

Supplemental Security Income (SSI)

- A.K.A. Title 16 Disability.
- Benefits are paid based on financial need to provide basic needs such as shelter, food, and other essentials.
- Program is funded by general tax revenues, not Social Security Taxes.
- Effective January 2026, the maximum monthly Federal SSI amount for an eligible *individual* is $994.
- Cannot withhold from SSI income.

Benefits and Assistance

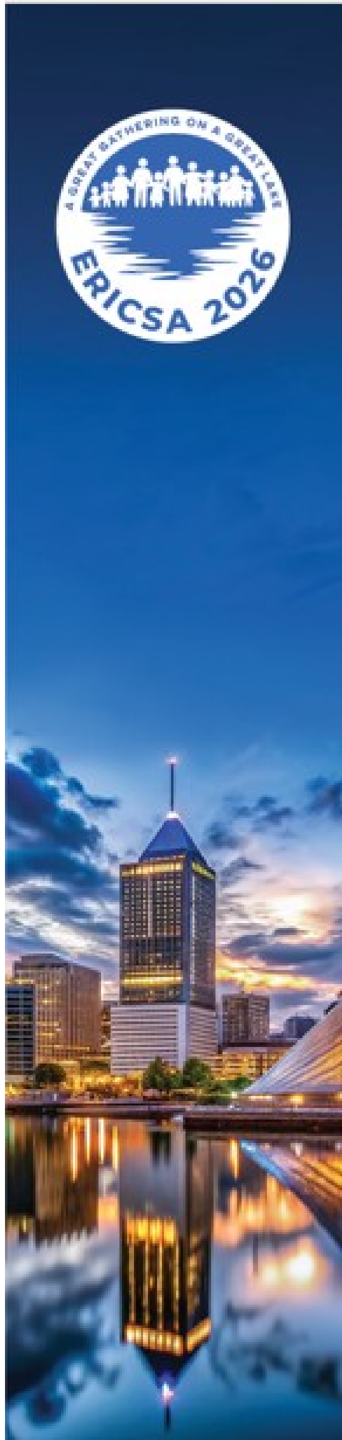
Workers Compensation (WC)

- State-mandated Insurance System that provides benefits to employees who are injured or become ill because of their job.
- It can provide wage replacement while the worker is unable to work.
- The amounts vary based on disability rating, settlements, return-to-work status, and potential other factors.
- Generally wage replacement is considered income for purposes of child support and can be garnished. However, some states cap the percentage.
- Typically, medical reimbursements and vocational rehabilitation expenses are not considered income.
- Lump sum settlements may also be intercepted if child support arrears are owed.

Benefits and Assistance

Unemployment Insurance

- State-run program funded by payroll taxes that provides temporary assistance to workers who lose their job through no fault of their own.
- Unlike with WC, the payments are usually a fixed, weekly amount and temporary. There is no lump sum payment.
- It is considered income, and it may be garnished to pay child support.



Benefits and Assistance

Adoption Assistance

- Two Types of Adoption Assistance
  - IV-E (Entitlement) and IV-B (State funded adoption assistance block grants)
- IRS – Not taxable: Adoption Assistance payments were ruled to be *public welfare* in 1974. Therefore, the payments are income exempt for tax purposes.
- NACAC – North American Council on Adoptable Children – Strongly warns against using Adoption Assistance payments when calculating child support as the payment is an *entitlement* of the child, not the parents.

Benefits and Assistance

Adoption Assistance

DocuSign Envelope ID: D9D3E9A4-2217-431E-9... BACE8521DE1C

620 303003

mdcps
Mississippi Department of Child Protection Services

The State of Mississippi
Governor Tate Reeves
Commissioner Andrea A. Sanders
www.mdcps.ms.gov

Date: 1/14/2021 | 1:53 PM CST

Dear: Mr. & Mrs. [redacted]

This letter is to verify that your household receives a payment in the amount of $2570.00 monthly from the Adoption Assistance Program for the following child (ren).

Child (ren):	Amount:
[redacted]	$700.00
[redacted]	$700.00
[redacted]	$440.00
[redacted]	$375.00
[redacted]	$355.00

The Adoption Assistance payment will terminate when the child reaches the age of 18. The Adoption Assistance may be provided at State option until the child is 21 years of age, if the child has a mental or physical handicap which warrants continuation and/or the child is still in high school.

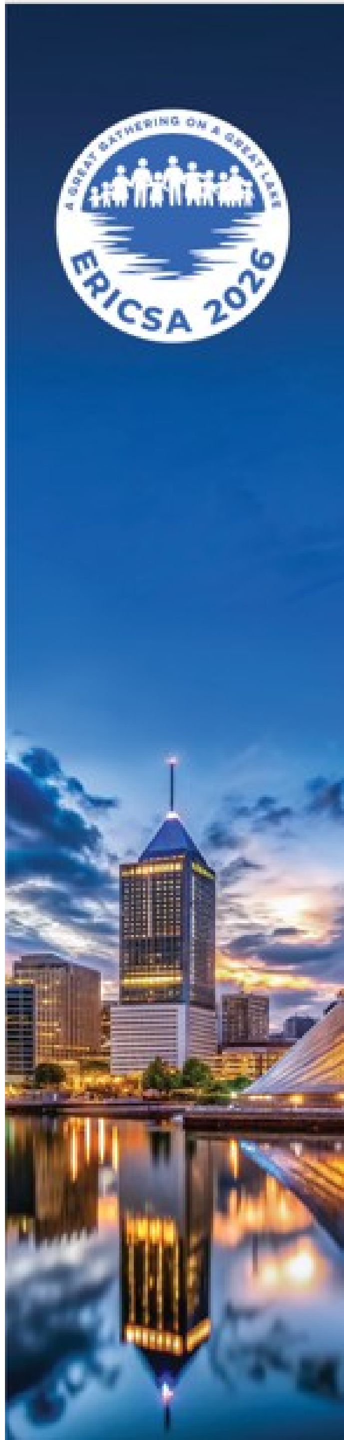
...cerns, please feel free to contact **Arteasha Porter** ...or via e-mail at **arteasha.porter@mdcps.ms.gov**

...s/Adoption Unit

...ackson, MS 39202 · (601) 359-4519 · jasper.lowe@mdcps.ms.gov

Why Weird Wages?

- Most support guidelines require ALL potential sources of income be included when determining an AGI for child support purposes.
- Completely and correctly analyzing all income sources allows us to be confident that we have represented our client in its efforts to support the child(ren) to the best of our ability per statute.



Examples of Tricky Income

- Pay period is undated
- Retirement
  - FERS (mandatory)
- Thrift Savings
  - Voluntary retirement
- FIN ORG
  - Federal credit union deposit
- Union Dues
- HITS Tax
  - Health Insurance Tax
- OASDI
  - Old Age Survivor and Disability Insurance Tax

PQ032 [redacted] 06 21 PAYROLL-LISTING 04/09/21

REGULAR T&A

NAME [redacted] AGENCY FP DO CD 3

ADDRESS PAY PLAN GL F/T

GRADE/STEP 09 04

DD/EFT HOURLY RATE 29.02

DESG AGENT 0000 FLSA YES COMPRESS WK NO BASE SAL 60557.00

PAY PERIOD	06	* * * *D E D U C T I O N S* * * *			
SAL RATE CODE	PA	RETIREMENT	113.76	RETIRE PERCENT	.0490
HB CODE	10 4 __ 0 __ 0	LIFE INS	9.45	OPT INS	10.50
FEGLI CODE	Y5	HEALTH INS	123.45	BOND	.00
SCHEDULE NO	1BN061	FED TAX S05	96.87	EXTRA FED	.00
BLOCK/BATCH	32 060581	STATE1 28 220	57.00	EXTRA STATE1	.00
CUR BOND REFUND	.00	STATE2 00 000	.00	EXTRA STATE2	.00
1ST WEEK HOURS	40.00	CITY CD/TX 0000	.00	IMPRES FUND	.00
2ND WEEK HOURS	40.00	CTY CD/TAX 000	.00	HITS TAX	31.87
TOTAL HOURS	80.00	OASDI TAX	179.66	UNION DUES	20.50
		CHAR CONT	.00	MEALS	.00
		COMMISSARY	.00	QUARTERS	.00
GROSS PAY	2,321.60	FIN ORG	162.05	ADVANCE	.00
NET PAY	827.61	CHILD/SUP & ALIM	340.64	PERS-TAX-EXEMPT-CD	0
		THRIFT SAVINGS	348.24	PRIVATE-TAX-CD	0
		FLEXFUND	.00	OTHER DED	.0

Examples of Tricky Income

Defense Finance and Accounting Service Military Leave and Earnings Statement

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT

ID	NAME (Last, First MI)	SOC. SEC. NO.	GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED
	[redacted]	[redacted]	E5	140605	04	210930	ARMY	[redacted]	1-30 APR 19

ENTITLEMENTS			DEDUCTIONS		ALLOTMENTS		SUMMARY	
	Type	Amount	Type	Amount	Type	Amount	+Amt Fwd	.00
A	BASE PAY	2804.40	FEDERAL TAXES	384.77	TRICARE DENTAL	30.00	+TOT ENT	5146.79
B	BAS	369.39	FICA-SOC SECURITY	173.87			-TOT DED	3132.31
C	BAH	1143.00	FICA-MEDICARE	40.68			-TOT ALMT	30.00
D	SPEC DUTY PAY	830.00	SGLI	18.50			=NET AMT	1984.48
							-CR FWR	.00
							=EOM PAY	1984.48

BASE PAY	2804.40
BAS	369.39
BAH	1143.00
SPEC DUTY PAY	830.00

DIEMS	RET PLAN
140606	CHOICE

											M/S	Ex	Add'l Tax	Tax YTD
.0	17.5	0	17.5	90.0	.0	12.5	.0	TAXES	3634.40	12047.60	S	00	.00	1231.76

FICA TAXES	Wage Period	Soc Wage YTD	Soc Tax YTD	Med Wage YTD	Med Tax YTD	STATE TAXES	St	Wage Period	Wage YTD	M/S	Ex	Tax YTD
	2804.40	11217.60	695.48	11217.60	162.64		98	.00	.00	S	00	.00

PAY DATA	BAQ Type	BAQ Depn	VHA Zip	Rent Amt	Share	Stat	JFTR	Depns	2D JFTR	BAS Type	Charity YTD	TPC	PACIDN
	WDEP	SPOUSE	38732	1.00	1	R		0			.00		C8NGUARD

	Base Pay Rate	Base Pay Current	Spec Pay Rate	Spec Pay Current	Inc Pay Rate	Inc Pay Current	Bonus Pay Rate	Bonus Pay Current
TRADITIONAL PLAN (TSP)	0	.00	0	.00	0	.00	0	.00
ROTH PLAN	0	.00	0	.00	0	.00	0	.00

CM AGCY CONTR	AGCY-AUTO	AGC-MATCH				
	.00	.00				

CONTRIBUTIONS TOTALS	YTD Deductions	YTD TSP Deferred	YTD TSP Exempt	YTD ROTH	YTD TSP AGCY-AUTO	YTD TSP AGCY-MATCH
	.00	.00	.00	.00	.00	.00

REMARKS: YTD ENTITLE 18097.16 YTD DEDUCT 2163.88

Miscellaneous Tips

- Use all resources.
- Mind the start dates of employment.
- Be aware of the dates of work for wage statements.
- Always look for and ask about possible deductions.
- Keep records of the income used to calculate support.

Miscellaneous Tips

- Gather as much income information as possible.
- Differentiate between one-time and recurring expenses when calculating deductions.
- Use tax returns as a base-line, but not the final word on earnings.

Wages Gone Wild

With the uptick in gig economy and self-employment incomes, we hope we have presented useful information to help you calculate child support whenever these arise in your cases. Thank you for your participation, and we hope you have enjoyed this presentation on Wages Gone Wild.

QUESTIONS?

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