

Bonus or Lump Sum Payments FAQs

Do I only report the bonus when past-due child support is owed?

Contact our office for assistance prior to payout.

Do we deduct child support from bonus pay?

No, do not deduct child support obligation from bonus pay to make up for a balance the regular withholding may not cover.

Is the Lump-Sum Income Withholding Order an additional payment from what I am already deducting for current child support?

Yes, this is a one-time order to deduct from a non-recurring payment your employee may receive.

Report lump sum payments prior to payout by contacting Department of Child Support Services at lumpsumresponseteam@dcss.ca.gov or by phone (916) 464-6640.

***Note:** Current support obligation would not be taken from the lump sum payment unless the payout is included on a regular paycheck and not paid in a separate check. The lump sum amount that is requested is up to 50%.*

Can I consider the Lump-Sum Income Withholding Order as a standing order for monthly bonuses?

No, this type of order only serves as a one-time withholding. Report bonus or lump sum payments prior to payout by contacting the Department of Child Support Services at lumpsumresponseteam@dcss.ca.gov or by phone (916) 464-6640.

Lump Sum payments include, but are not limited to:

- ✓ Bonus pay/Commissions
- ✓ Severance or buy out payments
- ✓ Vacation payouts
- ✓ Dividends/Royalties
- ✓ Any lump sum settlement (Insurance)
- ✓ Retroactive earned income
- ✓ Final/termination payout

What should the deduction be when an employee does not earn enough to cover the one-time lump sum amount?

A lump sum deduction follows the same rule as the IWO deduction: deduct up to 50%.