

GUIDELINES MODELS

MODEL	DESCRIPTION	NUMBER OF STATES THAT USE	ADVANTAGES	DISADVANTAGES/CONCERNS
Income Shares	Income of each parents is considered in the calculation of support. Both parents are responsible for their own share of the prorated expense of raising the child.	39	<ul style="list-style-type: none"> • Perceived to be more fair as it takes into account the income of both parents. • Majority of states have adopted this model including Minnesota. 	<ul style="list-style-type: none"> • Potential for obligation to vary greatly depending upon other parent's income/circumstances.
Percentage-of-Obligor Income	Only the obligor's income is considered in the calculation of support.	9	<ul style="list-style-type: none"> • Simple formula to implement. 	<ul style="list-style-type: none"> • Does not explicitly take into account the other parent's income. • Does not reflect the trend that the % spent on children tends to decrease as income increases. • Most states that have updated/changed their guidelines have chosen to move away from this model, including Minnesota.
Melson	Combination of Income-Shares and Percentage-of-Obligor Income models. Prorates the basic needs level of the child between the parents and then if the obligor has any income remaining after meeting his or her own needs, an addition % of the remaining income is assigned to child support.	3	<ul style="list-style-type: none"> • Takes into account the basic subsistence needs of both parents, not just obligor. 	<ul style="list-style-type: none"> • Complex formula to implement. • Ordered as a single sum (medical and child care are not separate).

Cost Shares	The income of both parents are considered, the main differences between this model and Income Shares is that: 1) It relies upon USDA data on child-rearing costs in single-parent families; and 2) It deducts from total child costs the tax benefit that custodial parent receives that is solely attributable to having custody of the children.	0	<ul style="list-style-type: none"> • Focuses only on sharing the marginal costs attributable to the addition of a child/children in the household. 	<ul style="list-style-type: none"> • No other states have implemented this model. • The use of expenditures in single-parent homes result in poverty-level guidelines because many single-parent families live in poverty and few have high incomes. • Offsets child support by tax benefits associated with children than not all custodial parents actually receive.
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For more info, visit: https://mn.gov/dhs/assets/2017-03-31-Revised-Dr-Venohr-Report-to-MN-Child-Support-Task-Force_tcm1053-286690.pdf