

THE COURTS

Title 231—RULES OF CIVIL PROCEDURE

PART I. GENERAL

[231 PA. CODE CH. 1910]

Order Amending Rule 1910.16-2 and Rule 1910.16-6 of the Pennsylvania Rules of Civil Procedure; No. 758 Civil Procedural Rules Docket

Order

Per Curiam

And Now, this 25th day of October, 2024, upon the recommendation of the Domestic Relations Procedural Rules Committee, the proposal having been submitted without publication pursuant to Pa.R.J.A. 103(a)(3) in the interests of justice and efficient administration:

It is Ordered pursuant to Article V, Section 10 of the Constitution of Pennsylvania that Rules 1910.16-2 and 1910.16-6 of the Pennsylvania Rules of Civil Procedure are amended in the attached form.

This Order shall be processed in accordance with Pa.R.J.A. 103(b), and shall be effective immediately.

Additions to the rule are shown in bold and are underlined.

Deletions from the rule are shown in bold and brackets.

Annex A

TITLE 231. RULES OF CIVIL PROCEDURE

PART I. GENERAL

CHAPTER 1910. ACTIONS FOR SUPPORT

(Editor's Note: "Note" in Rule 1910.16-2 and Rule 1910.16-6 in Title 231 reads "Official Note.")

Rule 1910.16-2. Support Guidelines. Calculation of Monthly Net Income.

Generally, the basic child support, spousal support, or alimony *pendente lite* obligation is based on the parties' monthly net incomes.

(a) *Monthly Gross Income.* Monthly gross income is ordinarily based on at least a six-month average of a party's income. The support law, 23 Pa.C.S. § 4302, defines the term "income" and includes income from any source. The statute lists many types of income including, but not limited to:

- (1) wages, salaries, bonuses, fees, and commissions;
- (2) net income from business or dealings in property;
- (3) interest, rents, royalties, and dividends;
- (4) pensions and all forms of retirement;
- (5) income from an interest in an estate or trust;
- (6) Social Security disability benefits, Social Security retirement benefits, temporary and permanent disability benefits, workers' compensation, and unemployment compensation;
- (7) alimony if, in the trier-of-fact's discretion, inclusion of part or all of it is appropriate; and

[*Note:* In determining the appropriateness of including alimony in gross income, the trier-of-fact shall consider whether the party receiving the alimony must include the amount received as gross income when filing federal income taxes. If the alimony is not includable in the party's gross income for federal income tax purposes, the trier-of-fact may include in the party's monthly net income the alimony received, as appropriate. See Pa.R.C.P. No. 1910.16-2(c)(2)(ii).]

Since the reasons for ordering payment of alimony vary, the appropriateness of including it in the recipient's gross income must also vary. For example, if the obligor is paying \$1,000 per month in alimony for the express purpose of financing the obligee's college education, it would be inappropriate to consider that alimony as income from which the obligee could provide child support. However, if alimony is intended to finance the obligee's general living expenses, inclusion of the alimony as income is appropriate.]

(8) other entitlements to money or lump sum awards, without regard to source, including:

- (i) lottery winnings;
- (ii) income tax refunds;
- (iii) insurance compensation or settlements;
- (iv) awards and verdicts; and
- (v) payments due to and collectible by an individual regardless of source.

[*Note:* The trier-of-fact determines the most appropriate method for imputing lump-sum awards as income for purposes of establishing or modifying the party's support obligation. These awards may be annualized or averaged over a shorter or longer period depending on the case's circumstances. The trier-of-fact may require all or part of the lump sum award escrowed to secure the support obligation during that period.]

The trier-of-fact shall not include income tax refunds in a party's income, if the trier-of-fact factored in the tax refund when calculating the party's actual tax obligation and monthly net income.]

(b) *Treatment of Public Assistance, SSI Benefits, Social Security Payments to a Child Due to a Parent's Death, Disability or Retirement, and Foster Care Payments.*

(1) *Public Assistance and SSI Benefits.* Neither public assistance nor Supplemental Security Income (SSI) benefits shall be included as income for determining support.

(2) *Child's Social Security Derivative Benefits.*

(i) If a child is receiving Social Security derivative benefits due to a parent's retirement or disability:

(A) The trier-of-fact shall determine the basic child support obligation as follows:

(I) add the child's benefit to the monthly net income of the party who receives the child's benefit;

(II) calculate the parties' combined monthly net income, including the child's benefit;

(III) determine the basic child support obligation set forth in the [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3 schedule; and

(IV) apportion the basic child support obligation between the parties based on the party's percentage of the combined monthly net income.

(B) If the obligee receives the child's benefit, the trier-of-fact shall deduct the child's benefit from the basic child support obligation of the party whose retirement or disability created the child's benefit.

(C) If the obligor receives the child's benefit, the trier-of-fact shall not deduct the child's benefit from the obligor's basic child support obligation, even if the obligor's retirement or disability created the child's benefit. To illustrate for the parties the impact of the obligor receiving the benefit instead of the obligee, the trier-of-fact shall provide the parties with two calculations theoretically assigning the benefit to each household.

(D) The trier-of-fact shall allocate the expenses in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-6(a)—(e) based on the parties' monthly net incomes without considering the child's benefit.

(E) In equally shared custody cases, the party with the higher monthly net income, excluding the child's benefit, is the obligor.

(ii) If a child is receiving Social Security derivative benefits due to a parent's death, the trier-of-fact shall determine the surviving parent's basic child support obligation as follows:

(A) The non-parent obligee's monthly net income shall include only those funds the obligee is receiving on the child's behalf, including the Social Security derivative benefit.

(B) If the surviving-parent obligor receives the Social Security derivative benefit, the benefit shall be added to the parent's monthly net income to calculate child support.

(3) *Foster Care Payments.* If a party to a support action is a foster parent or is receiving payments from a public or private agency for the care of a child who is not the party's biological or adoptive child, the trier-of-fact shall not include those payments in the party's monthly net income for purposes of calculating child support for the foster parent's or other caretaker's biological or adoptive child.

[Example 1. The obligor has monthly net income of \$2,000. The obligee's monthly net income is \$1,500 and the obligee, as primary custodial parent of the parties' two children, receives \$700 per month in Social Security derivative benefits on behalf of the children as a result of the obligor's disability. Add the children's benefit to the obligee's income, which now is \$2,200 per month. At the parties' combined monthly net income of \$4,200, the basic child support obligation for two children is \$1,372. As the obligor's income is 48% of the parties' combined monthly net income, the obligor's preliminary share of the basic child support obligation is \$659. However, because the obligor's disability created the children's Social Security derivative benefits that the obligee is receiving, the obligor's obligation is reduced by the amount of the benefit, \$700. As the support obligation cannot be less than zero, the obligor's basic child support obligation is \$0 per month. If it were the obligee's disability that cre-

ated the benefit, the obligor's basic child support obligation would remain \$659. If the obligor were receiving the children's benefit as a result of the obligor's retirement or disability, the obligor's monthly net income would include the amount of the benefit and total \$2,700, or 64% of the parties' combined monthly net income. The obligor's share of the basic child support obligation would then be \$878 and would not be reduced by the amount of the children's benefit because the obligor, not the obligee, is receiving the benefit. Therefore, the obligor's basic child support obligation is less if the obligee is receiving the benefit created by the obligor.

Example 2. Two children live with Grandmother who receives \$800 per month in Social Security death benefits for the children as a result of Father's death. Grandmother also receives \$500 per month from a trust established by Father for the benefit of the children. Grandmother is employed and earns \$2,000 net per month. Grandmother seeks support from the children's mother, who earns \$2,000 net per month. For purposes of calculating Mother's basic child support obligation, Grandmother's income will be \$1,300, the amount she receives on the children's behalf in Social Security derivative benefits and the trust income. (If Mother were receiving the benefit on the children's behalf, the benefit would be added to Mother's monthly net income and would be \$2,800. Grandmother's monthly net income would be \$500.) Therefore, Mother's and Grandmother's combined monthly net income totals \$3,300. The basic child support obligation at the \$3,300 monthly net income level for two children is \$1,137. As Mother's monthly net income of \$2,000 is 61% of the parties' combined monthly net income of \$3,300, Mother's basic child support obligation is \$694. Since Mother's retirement or disability did not generate the child's derivative benefit, the benefit amount is not subtracted from Mother's basic child support obligation, and Mother owes Grandmother \$694. If Grandmother was not receiving the children's derivative benefits or trust income, Grandmother's monthly net income for purposes of calculating Mother's basic child support obligation would be zero, and Mother would pay 100% of the basic child support obligation because Grandmother has no duty to support the children.

Note: Care must be taken to distinguish Social Security from Supplemental Security Income (SSI) benefits. Social Security benefits are income pursuant to subdivision (a) of this rule.]

(c) *Monthly Net Income.*

(1) Unless these rules provide otherwise, the trier-of-fact shall deduct only the following items from monthly gross income to arrive at monthly net income:

(i) federal, state, and local income taxes;

(ii) unemployment compensation taxes and Local Services Taxes (LST);

(iii) F.I.C.A. payments (Social Security, Medicare and Self-Employment taxes) and non-voluntary retirement payments;

(iv) mandatory union dues; and

(v) alimony paid to the other party.

(2) In computing a spousal support or alimony *pendente lite* obligation, the trier-of-fact shall:

(i) deduct from the obligor's monthly net income child support, spousal support, alimony *pendente lite*, or alimony amounts paid to children and former spouses, who are not part of this action; and

(ii) include in a party's monthly net income alimony *pendente lite* or alimony received from a former spouse that was not included in the party's gross income, as provided in subdivision (a).

[Note: Since the reasons for ordering payment of alimony vary, the appropriateness of including it in the recipient's monthly net income must also vary. For example, if the obligor is paying \$1,000 per month in alimony for the express purpose of financing the obligee's college education, it would be inappropriate to consider that alimony as income from which the obligee could provide child support. However, if alimony is intended to finance the obligee's general living expenses, inclusion of the alimony as income is appropriate.]

(d) *Reduced Income or Fluctuating Earnings.*

(1) *Voluntary Income Reduction—Existing Orders.* The trier-of-fact shall not downwardly adjust a party's net income **from an existing order** if the trier-of-fact finds that:

(i) the party's income reduction resulted from the party willfully attempting to favorably affect the party's basic support obligation; or

(ii) the party voluntarily assumed a lower paying job, quit a job, left employment, changed occupations, changed employment status to pursue an education, or employment is terminated due to willful misconduct.

(2) *Involuntary Income Reduction. Incarceration. Earnings Fluctuations—Existing Orders.*

(i) *Involuntary Income Reduction.* The trier-of-fact shall adjust a party's monthly net income **from an existing order** for substantial continuing involuntary decreases in income due to an employment situation over which the party has no control, including, but not limited to, illness, lay-off, termination, or job elimination.

(ii) *Incarceration.*

(A) Except as set forth in subdivision (d)(2)(ii)(B), the trier-of-fact shall:

(I) consider an incarcerated party's income reduction as an involuntary income reduction as set forth in subdivision (d)(2)(i); and

(II) adjust the incarcerated party's monthly net income accordingly.

(B) *Exception.*

(I) A party's incarceration shall not constitute an involuntary income reduction when the incarceration is due to support enforcement purposes or a criminal offense in which the party's dependent child or the obligee was the victim; and

(II) The trier-of-fact makes a written finding that downwardly adjusting the incarcerated party's monthly net income would be unjust or inappropriate and, in a child support action, takes into consideration the child's best interest.

(iii) *Earnings Fluctuations.* The trier-of-fact shall not adjust a party's monthly net income **from an existing order** due to normal or temporary earnings fluctuations.

(3) *Seasonal Employees.* Generally, the trier-of-fact shall base a seasonal employee's monthly net income on a yearly average.

(4) *Earning Capacity—Initial Orders.*

(i) When **calculating an initial order, if** a party willfully fails to obtain or maintain appropriate employment, the trier-of-fact may impute to the party an income equal to the party's earning capacity.

(A) *Earning Capacity Limitation.* The trier-of-fact:

(I) shall not impute to the party an earning capacity that exceeds the amount the party could earn from one full-time position; and

(II) shall determine a reasonable work regimen based upon the party's relevant circumstances, including the jobs available within a particular occupation, working hours and conditions, and whether a party has exerted substantial good faith efforts to find employment.

(B) The trier-of-fact shall base the party's earning capacity on the subdivision (d)(4)(ii) factors.

(C) After assessing a party's earning capacity, the trier-of-fact shall state the reasons for the assessment in writing or on the record.

(D) When the trier-of-fact imputes an earning capacity to a party who would incur childcare expenses if the party were employed, the trier-of-fact shall consider reasonable childcare responsibilities and expenses **for the purpose of discretionary allocation pursuant to Pa.R.Civ.P. 1910.16-6(a)(1)(ii).**

(ii) *Factors.* In determining a party's earning capacity, the trier-of-fact shall consider the party's:

(A) child care responsibilities and expenses;

(B) assets;

(C) residence;

(D) employment and earnings history;

(E) job skills;

(F) educational attainment;

(G) literacy;

(H) age;

(I) health;

(J) criminal record and other employment barriers;

(K) record of seeking work;

(L) local job market, including the availability of employers who are willing to hire the party;

(M) local community prevailing earnings level; and

(N) other relevant factors.

[Note: See 45 C.F.R. § 302.56(c)(1)(iii) regarding earning capacity factors.]

(e) *Net Income Affecting Application of the Support Guidelines.*

(1) *Low-Income Cases.*

(i) *Self-Support Reserve (SSR).*

(A) The SSR is the minimum monthly net income reserved to the obligor to meet the obligor's basic needs.

(B) The SSR amount is \$1,063 per month.

(ii) *Action for Child Support Only.* When the obligor's monthly net income and the number of children in the action intersect in the Basic Child Support Schedule's shaded area as set forth in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3, the trier-of-fact shall determine the obligor's basic child support obligation utilizing the lesser of the two calculated amounts from the following methodologies.

(A) The initial calculation is determined by using the obligor's monthly net income only, the schedule set forth in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3, and the number of children.

(B) The second calculation is determined by using the parties' combined monthly net income and the basic child support formula in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-4(a).

(C) If the obligor's monthly net income is at or below the SSR, the trier-of-fact may award support only after consideration of the parties' actual financial resources and living expenses.

[**Example 1: The parties have two children. The obligee has monthly net income of \$2,500. The obligor has monthly net income of \$1,500, which falls into the shaded area of the schedule for two children. The initial calculation is made using only the obligor's monthly net income. The basic child support obligation for two children would be \$397. The second calculation uses the parties' combined monthly net income. The parties' combined monthly net income is \$4,000. The basic child support obligation for two children is \$1,340. The obligor's proportionate share of the parties' combined monthly net income is 38% with a basic child support obligation of \$509. The obligor's basic child support obligation using only the obligor's monthly net income is less than the calculated amount using the parties' combined monthly net income. As a result, the trier-of-fact should award the lesser amount, and the obligor's basic child support obligation is \$397.]**

(iii) *Action for Spousal Support/Alimony Pendente Lite Only.*

(A) After calculating the spousal support or alimony *pendente lite* obligation as provided in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-4, the spousal support obligation shall not reduce the obligor's monthly net income below the SSR.

(B) If the obligor's monthly net income after subtracting the spousal support or alimony *pendente lite* obligation is less than the SSR, the trier-of-fact shall adjust the spousal support or alimony *pendente lite* obligation downward by an amount sufficient for the obligor to retain the SSR amount.

[**Example 2: The obligor has \$1,200 monthly net income, and the obligee has \$300 monthly net income. The formula in Pa.R.C.P. No. 1910.16-4(a)(1)(Part B) would result in a monthly spousal support obligation of \$276 ($(\$1,200 \times 33\% = \$396)$ minus $(\$300 \times 40\% = \$120)$ for a total of \$276). Since this amount leaves the obligor with only \$924 per month, the trier-of-fact should adjust the support obligation so the obligor retains at least \$1,063 per month. Therefore, the spousal support obligation is \$137 per month ($\$1,200 - \$1,063$).]**

(iv) *Action with Child Support and Spousal Support or Alimony Pendente Lite.*

(A) The trier-of-fact shall calculate the spousal support or alimony *pendente lite* obligation as provided in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-4.

(B) The trier-of-fact shall subtract the calculated spousal support or alimony *pendente lite* obligation from the obligor's monthly net income to determine the obligor's adjusted monthly net income.

(C) When the obligor's adjusted monthly net income and the number of children in the action intersect in the Basic Child Support Schedule's shaded area as set forth in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3, the trier-of-fact:

(I) shall not award spousal support or alimony *pendente lite*; and

(II) shall calculate child support as provided in subdivision (e)(1)(ii).

[**Example 3: Obligor and obligee have monthly net incomes of \$2,000 and \$165, respectively, and have two children. Calculating spousal support under subdivision (e)(1)(iv)(A) results in a spousal support obligation of \$450 ($\$2,000 \times 25\%$ minus $\$165 \times 30\%$). Obligor's adjusted monthly net income ($\$2,000$ minus $\$450$) is $\$1,550$. Obligor's adjusted monthly net income of $\$1,550$ with two children is in the shaded area of the Basic Child Support Schedule, and as a result, the trier-of-fact shall not award spousal support. Instead, the trier-of-fact should award child support only as provided in subdivision (e)(1)(ii).]**

(D) When the obligor's monthly net income and the number of children in the action do not intersect in the Basic Child Support Schedule's shaded area as set forth in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3, the trier-of-fact shall calculate child support consistent with [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-4.

(I) The combined spousal support or alimony *pendente lite* and basic child support obligations shall not reduce the obligor's remaining monthly net income below the SSR.

(II) If the obligor's monthly net income after subtracting the spousal support or alimony *pendente lite* and basic child support obligations is less than the SSR, the trier-of-fact shall adjust the support obligation downward by an amount sufficient for the obligor to retain the SSR amount.

(2) *High-Income Cases.* If the parties' combined monthly net income exceeds \$30,000, the trier-of-fact shall calculate child support, spousal support, or alimony *pendente lite* pursuant to [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.16-3.1.

[**Note: See *Hanrahan v. Bakker*, 186 A.3d 958 (Pa. 2018).]**

(f) *Child Tax Credit.* In order to maximize the total income available to the parties and children, the trier-of-fact may award, as appropriate, the federal child tax credit to the non-custodial parent, or to either parent in cases of equally shared custody, and require the other party to execute the waiver required by the Internal Revenue Code, 26 U.S.C. § 152(e). The trier-of-fact shall consider the tax consequences associated with the federal child tax credit in calculating the party's monthly net income available for support.

Comment:

Concerning subdivision (a)(7), in determining the appropriateness of including alimony in gross income, the trier-of-fact shall consider whether the party receiving the alimony must include the amount received as gross income when filing federal income taxes. If the alimony is not includable in the party's gross income for federal income tax purposes, the trier-of-fact may include in the party's monthly net income the alimony received, as appropriate. See Pa.R.Civ.P. 1910.16-2(c)(2)(ii).

Since the reasons for ordering payment of alimony vary, the appropriateness of including it in the recipient's gross income must also vary. For example, if the obligor is paying \$1,000 per month in alimony for the express purpose of financing the obligee's college education, it would be inappropriate to consider that alimony as income from which the obligee could provide child support. However, if alimony is intended to finance the obligee's general living expenses, inclusion of the alimony as income is appropriate.

Concerning subdivision (a)(8), the trier-of-fact determines the most appropriate method for imputing lump-sum awards as income for purposes of establishing or modifying the party's support obligation. These awards may be annualized or averaged over a shorter or longer period depending on the case's circumstances. The trier-of-fact may require all or part of the lump sum award escrowed to secure the support obligation during that period.

The trier-of-fact shall not include income tax refunds in a party's income, if the trier-of-fact factored in the tax refund when calculating the party's actual tax obligation and monthly net income.

Concerning subdivision (b), care must be taken to distinguish Social Security from Supplemental Security Income (SSI) benefits. Social Security benefits are income pursuant to subdivision (a).

Subdivision (b) Example 1. The obligor has monthly net income of \$2,000. The obligee's monthly net income is \$1,500 and the obligee, as primary custodial parent of the parties' two children, receives \$700 per month in Social Security derivative benefits on behalf of the children as a result of the obligor's disability. Add the children's benefit to the obligee's income, which now is \$2,200 per month. At the parties' combined monthly net income of \$4,200, the basic child support obligation for two children is \$1,372. As the obligor's income is 48% of the parties' combined monthly net income, the obligor's preliminary share of the basic child support obligation is \$659. However, because the obligor's disability created the children's Social Security derivative benefits that the obligee is receiving, the obligor's obligation is reduced by the amount of the benefit, \$700. As the support obligation cannot be less than zero, the obligor's basic child support obligation is \$0 per month. If it were the obligee's disability that created the benefit, the obligor's basic child support obligation would remain \$659. If the obligor were receiving the children's benefit as a result of the obligor's retirement or disability, the obligor's monthly net income would include the amount of the benefit and total \$2,700, or 64% of the parties' combined monthly net income. The obligor's share

of the basic child support obligation would then be \$878 and would not be reduced by the amount of the children's benefit because the obligor, not the obligee, is receiving the benefit. Therefore, the obligor's basic child support obligation is less if the obligee is receiving the benefit created by the obligor.

Subdivision (b) Example 2. Two children live with Grandmother who receives \$800 per month in Social Security death benefits for the children as a result of Father's death. Grandmother also receives \$500 per month from a trust established by Father for the benefit of the children. Grandmother is employed and earns \$2,000 net per month. Grandmother seeks support from the children's mother, who earns \$2,000 net per month. For purposes of calculating Mother's basic child support obligation, Grandmother's income will be \$1,300, the amount she receives on the children's behalf in Social Security derivative benefits and the trust income. (If Mother were receiving the benefit on the children's behalf, the benefit would be added to Mother's monthly net income and would be \$2,800. Grandmother's monthly net income would be \$500.) Therefore, Mother's and Grandmother's combined monthly net income totals \$3,300. The basic child support obligation at the \$3,300 monthly net income level for two children is \$1,137. As Mother's monthly net income of \$2,000 is 61% of the parties' combined monthly net income of \$3,300, Mother's basic child support obligation is \$694. Since Mother's retirement or disability did not generate the child's derivative benefit, the benefit amount is not subtracted from Mother's basic child support obligation, and Mother owes Grandmother \$694. If Grandmother was not receiving the children's derivative benefits or trust income, Grandmother's monthly net income for purposes of calculating Mother's basic child support obligation would be zero, and Mother would pay 100% of the basic child support obligation because Grandmother has no duty to support the children.

Concerning subdivision (c)(1)(v), because the reasons for ordering payment of alimony vary, the appropriateness of including it in the recipient's monthly net income must also vary. For example, if the obligor is paying \$1,000 per month in alimony for the express purpose of financing the obligee's college education, it would be inappropriate to consider that alimony as income from which the obligee could provide child support. However, if alimony is intended to finance the obligee's general living expenses, inclusion of the alimony as income is appropriate.

The consideration of child care expenses if the party were employed in subdivision (d)(4)(i)(D) is not for purposes of reducing imputed income when calculating the party's basic child support obligation. The child care expenses that would be payable if a party were employed are subject to discretionary allocation pursuant to Pa.R.Civ.P. 1910.16-6(a)(1)(ii).

Concerning subdivision (d)(4)(ii), see 45 C.F.R. § 302.56(c)(1)(iii) regarding earning capacity factors.

Subdivision (e)(1)(ii) Example: The parties have two children. The obligee has monthly net income of \$2,500. The obligor has monthly net income of

\$1,500, which falls into the shaded area of the schedule for two children. The initial calculation is made using only the obligor's monthly net income. The basic child support obligation for two children would be \$397. The second calculation uses the parties' combined monthly net income. The parties' combined monthly net income is \$4,000. The basic child support obligation for two children is \$1,340. The obligor's proportionate share of the parties' combined monthly net income is 38% with a basic child support obligation of \$509. The obligor's basic child support obligation using only the obligor's monthly net income is less than the calculated amount using the parties' combined monthly net income. As a result, the trier-of-fact should award the lesser amount, and the obligor's basic child support obligation is \$397.

Subdivision (e)(1)(iii) Example: The obligor has \$1,200 monthly net income, and the obligee has \$300 monthly net income. The formula in Pa.R.Civ.P. 1910.16-4(a)(1)(Part B) would result in a monthly spousal support obligation of \$276 ($(\$1,200 \times 33\% = \$396)$ minus $(\$300 \times 40\% = \$120)$ for a total of \$276). Since this amount leaves the obligor with only \$924 per month, the trier-of-fact should adjust the support obligation so the obligor retains at least \$1,063 per month. Therefore, the spousal support obligation is \$137 per month $(\$1,200 - \$1,063)$.

Subdivision (e)(1)(iv) Example: Obligor and obligee have monthly net incomes of \$2,000 and \$165, respectively, and have two children. Calculating spousal support under subdivision (e)(1)(iv)(A) results in a spousal support obligation of \$450 $(\$2,000 \times 25\%$ minus $\$165 \times 30\%)$. Obligor's adjusted monthly net income $(\$2,000$ minus $\$450)$ is \$1,550. Obligor's adjusted monthly net income of \$1,550 with two children is in the shaded area of the Basic Child Support Schedule, and as a result, the trier-of-fact shall not award spousal support. Instead, the trier-of-fact should award child support only as provided in subdivision (e)(1)(ii).

Concerning subdivision (e)(2), see *Hanrahan v. Bakker*, 186 A.3d 958 (Pa. 2018).

Historical Commentary

The following commentary is historical in nature and represents statements of the Committee at the time of rulemaking:

Explanatory Comment—2010

Subdivision (a) addresses gross income for purposes of calculating the support obligation by reference to the statutory definition at 23 Pa.C.S. § 4322. Subdivision (b) provides for the treatment of public assistance, SSI benefits, Social Security derivative benefits, and foster care payments.

Subdivision (c) sets forth the exclusive list of the deductions that may be taken from gross income in arriving at a party's net income. When the cost of health insurance premiums is treated as an additional expense subject to allocation between the parties under Pa.R.C.P. No. 1910.16-6, it is not deductible from gross income. However, part or all of the cost of health insurance premiums may be deducted from the obligor's gross income pursuant to Pa.R.C.P. No. 1910.16-6(b) in cases in which the obligor is paying the premiums and the obligee has no income or minimal income. Subdivision (c) relates to spousal support or alimony *pendente lite* awards when there are multiple families. In these cases, a party's

monthly net income must be reduced to account for his or her child support obligations, as well as any pre-existing spousal support, alimony *pendente lite* or alimony obligations being paid to former spouses who are not the subject of the support action.

Subdivision (d) has been amended to clarify the distinction between voluntary and involuntary changes in income and the imputing of earning capacity. Statutory provisions at 23 Pa.C.S. § 4322, as well as case law, are clear that a support obligation is based upon the ability of a party to pay, and that the concept of an earning capacity is intended to reflect a realistic, rather than a theoretical, ability to pay support. Amendments to subdivision (d) are intended to clarify when imposition of an earning capacity is appropriate.

Subdivision (e) has been amended to reflect the updated schedule in Pa.R.C.P. No. 1910.16-3 and the increase in the Self-Support Reserve ("SSR"). The schedule now applies to all cases in which the parties' combined monthly net income is \$30,000 or less. The upper income limit of the prior schedule was only \$20,000. The support amount at each income level of the schedule also has changed, so the examples in Pa.R.C.P. No. 1910.16-2 were revised to be consistent with the new support amounts.

The SSR is intended to assure that obligors with low incomes retain sufficient income to meet their basic needs and to maintain the incentive to continue employment. When the obligor's monthly net income or earning capacity falls into the shaded area of the schedule, the basic child support obligation can be derived directly from the schedule in Pa.R.C.P. No. 1910.16-3. There is no need to use the formula in Pa.R.C.P. No. 1910.16-4 to calculate the obligor's support obligation because the SSR keeps the amount of the obligation the same regardless of the obligee's income. The obligee's income may be a relevant factor, however, in determining whether to deviate from the basic guideline obligation pursuant to Pa.R.C.P. No. 1910.16-5 and in considering whether to require the obligor to contribute to any additional expenses under Pa.R.C.P. No. 1910.16-6.

Since the schedule in Pa.R.C.P. No. 1910.16-3 sets forth basic child support only, subdivision (e)(1)(ii) is necessary to reflect the operation of the SSR in spousal support and alimony *pendente lite* cases. It adjusts the basic guideline obligation, which would otherwise be calculated under the formula in Pa.R.C.P. No. 1910.16-4, so that the obligor's income does not fall below the SSR amount in these cases.

Previously, the SSR required that the obligor retain at least \$748 per month. The SSR now requires that the obligor retain income of at least \$867 per month, an amount equal to the 2008 federal poverty level for one person. When the obligor's monthly net income is less than \$867, subdivision (e)(1)(iii) provides that the trier-of-fact must consider the parties' actual living expenses before awarding support. The guidelines assume that at this income level the obligor is barely able to meet basic personal needs. In these cases, therefore, entry of a minimal order may be appropriate. In some cases, it may not be appropriate to order support at all.

The schedule at Pa.R.C.P. No. 1910.16-3 sets forth the presumptive amount of basic child support to be awarded. If the circumstances warrant, the trier-of-fact may deviate from that amount under Pa.R.C.P. No. 1910.16-5 and may also consider a party's contribution to additional expenses, which are typically added to the basic amount of support under Pa.R.C.P. No. 1910.16-6. If, for example,

the obligor earns only \$900 per month but is living with his or her parents, or has remarried and is living with a fully-employed spouse, the trier-of-fact may consider an upward deviation under Pa.R.C.P. No. 1910.16-5(b)(3) or may order the party to contribute to the additional expenses under Pa.R.C.P. No. 1910.16-6. Consistent with the goals of the SSR, however, the trier-of-fact should ensure that the overall support obligation leaves the obligor with sufficient income to meet basic personal needs and to maintain the incentive to continue working so that support can be paid.

Subdivision (e) also has been amended to eliminate the application of *Melzer v. Witsberger*, 480 A.2d 991 (Pa. 1984), in high-income child support cases. In cases in which the parties' combined net monthly income exceeds \$30,000, child support will be calculated in accordance with the three-step process in Pa.R.C.P. No. 1910.16-3.1(a).

Explanatory Comment—2013

The SSR has been increased to \$931, the 2012 federal poverty level for one person. Subdivision (e) has been amended to require that when the obligor's income falls into the shaded area of the basic child support schedule in Pa.R.C.P. No. 1910.16-3, two calculations must be performed. One calculation uses only the obligor's income and the other is a regular calculation using both parties' incomes, awarding the lower amount to the obligee. The two-step process is intended to address those cases in which the obligor has minimal income and the obligee's income is substantially greater.

Explanatory Comment—2015

The rule has been amended to provide that a party's support obligation will be reduced by the child's Social Security derivative benefit amount if that party's retirement or disability created the benefit and the benefit is being paid to the household in which the child primarily resides or the obligee in cases of equally shared custody. In most cases, payment of the benefit to the obligee's household will increase the resources available to the child and the parties. The rule is intended to encourage parties to direct that the child's benefits be paid to the obligee.

Explanatory Comment—2021

The Self-Support Reserve is determined by the Federal Poverty Guideline for one person converted to a monthly amount—currently \$1,063—for the year the Basic Child Support Schedule was derived.

Subdivision (e)(1) addresses low-income cases and has been completely rewritten and identifies the current monthly Self-Support Reserve (SSR) amount as \$1,063. The SSR is the amount of the obligor's monthly net income that is reserved to meet the obligor's basic needs. Subdivisions (e)(1)(ii)—(iv) adjust the methodology for calculating support when the obligor's monthly net income is at or near the SSR amount.

Rule 1910.16-6. Support Guidelines. Basic Support Obligation Adjustments. Additional Expenses Allocation.

The trier-of-fact may allocate between the parties the additional expenses in subdivisions (a)—(e). Even when a basic support order is inappropriate under the facts of the case, the trier-of-fact may allocate between the parties the additional expenses.

Except for the subdivisions (b)(4) and (e) expenses, the trier-of-fact shall calculate the parties' proportionate

share of the additional expenses after adjusting the parties' monthly net income by the spousal support or alimony *pendente lite* obligation received or paid, and dividing each party's adjusted monthly net income by the parties' combined monthly net income. However, the trier-of-fact shall not adjust the parties' monthly net incomes when apportioning the expenses in child support only cases.

(a) Child [*care expenses*] Care Expenses.

(1) The trier-of-fact:

(i) shall allocate reasonable child care expenses paid by the parties, if necessary to maintain employment or appropriate education in pursuit of income.

(ii) may allocate reasonable child care expenses **that would be** paid by the parties when the trier-of-fact imputes an earning capacity to a party [**as provided in Pa.R.C.P. No.] pursuant to Pa.R.Civ.P. 1910.16-2(d)(4)(i)(D).**

(2) The trier-of-fact may require that the obligor's share be added to the basic child support obligation, paid directly to the service provider, or paid directly to the obligee.

(3) When a party is receiving a child care subsidy through the Department of Human Services, the expense allocated between the parties is the amount actually paid by the party receiving the subsidy.

(4) The party seeking allocation of child care expenses shall provide to the other party the expense's documentation, such as a receipt or an invoice, promptly after receipt unless the service provider invoices the parties separately for the party's proportionate share of the expense.

(5) The trier-of-fact shall have the discretion to not allocate expenses if documentation is not timely provided to the other party.

(6) Except as provided in subdivision (a)(7), the total child care expenses shall be reduced to reflect the federal child care tax credit available to the eligible party, regardless of whether the credit is actually claimed by that party, up to the maximum annual cost allowable under the Internal Revenue Code.

(7) If the eligible party is not qualified to receive the credit, the federal child care tax credit shall not be used to reduce the child care expenses subject to allocation between the parties.

[Example. Mother has primary custody of the parties' two children and Father has partial custody. The parties' respective monthly net incomes are \$2,000 and \$3,500. At the combined monthly net income of \$5,500 for two children, the basic child support obligation is \$1,567. As Father's income represents 64% of the parties' combined monthly net income, Father's basic child support obligation is \$1,003. Mother incurs monthly child care expenses of \$400, and Father incurs \$100 per month. The total child care expenses, \$500, will be apportioned between the parties, with Father paying 64%, or \$320. As Father is paying \$100 for the children's child care during in his partial custody, he would pay the remaining \$220 to Mother for a total child support obligation of \$1,223 (\$1,003 + \$220).]

(b) *Health Insurance Premium.*

(1) The trier-of-fact shall allocate the health insurance premium paid by the parties, including the premium attributable to the party paying the premium, provided that a statutory duty of support is owed to the party or child covered by the health insurance.

(i) If the party paying the health insurance premium is the obligor, the obligee's share is deducted from the obligor's basic support obligation.

(ii) If the obligee is paying the health insurance premium, the obligor's share is added to the obligor's basic support obligation.

(iii) A health insurance premium allocated between the parties shall also include health insurance that is provided and paid by a third-party resident of a party's household (e.g., step-parent) for a child who is the subject of the support order.

(2) The trier-of-fact shall not allocate an employer-paid premium or a premium paid for a party, person, or child to whom no statutory duty of support is owed.

(i) If the parties present evidence of the excluded premium's actual amount—the amount attributed to a party, person, or child not owed a statutory duty of support—the trier-of-fact shall deduct the actual amount excluded from the total premium before allocating the health insurance premium between the parties.

(ii) If the parties do not present evidence of the excluded premium's actual amount, the trier-of-fact shall calculate the excluded amount as follows:

(A) determine the premium's cost per person by dividing the total premium by the number of persons covered under the policy;

(B) multiply the cost per person by the number of persons who are not owed a statutory duty of support, or are not parties to, or the subject of, the support action; and

(C) the resulting amount is excluded from allocation.

[Example 1. If the parties are separated, but not divorced, and Husband pays \$200 monthly for employer-provided health insurance for himself, Wife, the parties' child, and two additional children from a previous marriage, the premium attributable to the additional two children, if not otherwise verifiable or known with reasonable ease and certainty, is calculated by dividing \$200 by five persons and then multiplying the resulting amount of \$40 per person by the two additional children, for a total of \$80 to be excluded from allocation. Deduct this amount from the total premium to arrive at the premium to be allocated between the parties—\$120. Since Husband is paying the premium, and spouses have a statutory duty to support one another pursuant to 23 Pa.C.S. § 4321, Wife's percentage share of the \$120 is deducted from Husband's support obligation. If Wife had been providing the coverage, Husband's percentage share would be added to his basic support obligation.

Example 2. If the parties are divorced and Father pays \$200 monthly for employer-provided health insurance for himself, the parties' child, and two additional children from a previous marriage, the premium attributable to Father and the two additional children will not be allocated between the parties. Thus, using the same calculations in Example 1, the premium attributable to Father and

the two other children is \$150 (\$200 premium divided among four covered persons equals \$50 per person multiplied by three) and that amount is deducted from the total premium, leaving \$50 (\$200 – \$150 = \$50) to be allocated between the parties.

Example 3. The parties are divorced, and Mother is the obligee of a child support order. Father, the obligor, pays \$200 monthly for employer-provided health insurance for himself and the parties' child. Mother pays \$400 per month for her employer-provided health insurance that covers only herself. The premium Father pays to cover the parties' child, \$100 (\$200 premium divided between two covered persons, Father and the child), will be allocated between the parties in proportion to their respective monthly net incomes. The premium that covers Father will not be allocated because the parties are no longer married, and he is not owed a duty of support by Mother. The premium Mother pays to provide her own coverage will not be allocated because the parties are no longer married and she is not owed a duty of support by Father.]

(3) Pursuant to 23 Pa.C.S. § 4326(a), in every support proceeding, the trier-of-fact shall ascertain a parent's ability to provide medical support for the parties' child and the support "order shall include a requirement for medical support to be provided by either or both parents, provided that such medical support is accessible to the children."

(i) The obligor bears the initial responsibility of providing the child's health care coverage if it is available at a reasonable cost.

(A) "Reasonable cost" to an obligor shall be defined as an amount that does not exceed 5% of the obligor's monthly net income and, when added to the basic child support obligation plus additional expenses the obligor is ordered to pay, does not exceed 50% of the obligor's monthly net income.

(B) If the obligee is providing the coverage, the "reasonable cost" of the obligor's share shall be defined as an amount that does not exceed 5% of the obligor's monthly net income and, when added to the basic child support obligation plus additional expenses the obligor is ordered to pay, does not exceed 50% of the obligor's monthly net income.

(ii) Unless the child's health care coverage is provided by the obligee or a third party, the court shall issue the National Medical Support Notice required by 23 Pa.C.S. § 4326(d.1) to the obligor's employer in response to notification that the obligor is employed.

(A) The notice shall direct the employer to enroll the obligor's child who is the subject of the support proceeding if the coverage is available at a reasonable cost to the obligor.

(B) However, the notice shall direct that enrollment shall not occur earlier than 25 days from the date of the National Medical Support Notice to allow the obligor time to object.

(C) Concurrent with the issuance of the National Medical Support Notice, the court shall provide notice to the obligor setting forth the process to object to the enrollment based upon unreasonable cost, mistake of fact, or availability of alternative health care coverage for the child.

(D) If there is more than one employer-provided health care coverage option, the obligor shall select the coverage,

subject to the obligee's right to seek a court order designating a different option.

(iii) Absent the availability of health care coverage to the obligor for the parties' child at a reasonable cost, the court shall order the obligee to provide health care coverage for the child if it is available at a reasonable cost. "Reasonable cost" to the obligee shall be defined as an amount not to exceed 5% of the obligee's monthly net income.

(iv) If health care coverage is not available to the parties at a reasonable cost, the court may order the [the] party having primary custody to apply for government-sponsored coverage, such as the Children's Health Insurance Program ("CHIP"), with any co-premium or other cost apportioned between the parties in proportion to the parties' respective monthly net incomes.

(v) Within 30 days after the entry of the support order, the party ordered to provide health care coverage shall provide written proof to the other party that medical insurance has been obtained, including insurance cards and all other materials set forth in the form order in [Pa.R.C.P. No.] Pa.R.Civ.P. 1910.27(e). There shall be a continuing obligation to provide the other party and the domestic relations section with proof of any changes in coverage.

(vi) The trier-of-fact shall give preference to health care coverage that is readily accessible to the child, as defined by geographic coverage area, access to local treatment providers, or other relevant factors.

[Note: The maximum amount of any attachment for child and medical support is set forth by the federal Consumer Credit Protection Act (15 U.S.C. § 1601 et seq.).]

(4) If the obligor is paying for the health insurance, the obligee has no income or minimal income, and the obligor will bear 90% or more of the health insurance premium:

(i) the trier-of-fact may, as fairness requires, deduct part or all of the premium actually paid by the obligor to provide coverage for the other party or the child from the obligor's gross income to determine monthly net income for support purposes.

(ii) If such a deduction is taken from the obligor's gross income, the premium allocation as set forth in subdivision (b)(1) shall not be applied.

[Note: Subdivision (b) does not apply to Medical Assistance. See 23 Pa.C.S. § 4326(l).]

(c) *Unreimbursed Medical Expenses.* The trier-of-fact shall allocate the obligee's or child's unreimbursed medical expenses. However, the trier-of-fact shall not allocate unreimbursed medical expenses incurred by a party who is not owed a statutory duty of support by the other party. The trier-of-fact may require that the obligor's expense share be included in the basic support obligation, paid directly to the health care provider, or paid directly to the obligee.

(1) *Medical Expenses.*

(i) For purposes of this subdivision, medical expenses are annual unreimbursed medical expenses in excess of \$250 per person.

(ii) Medical expenses include insurance co-payments and deductibles and all expenses incurred for reasonably

necessary medical services and supplies, including but not limited to surgical, dental and optical services, and orthodontia.

(iii) Medical expenses do not include cosmetic, chiropractic, psychiatric, psychological, or other services unless specifically directed in the order of court.

[Note: While cosmetic, chiropractic, psychiatric, psychological, or other expenses are not required to be apportioned between the parties, the trier-of-fact may apportion such expenses that it determines to be reasonable and appropriate under the circumstances.]

(2) The trier-of-fact may impose an annual limitation when the burden on the obligor would otherwise be excessive.

(3) Annual expenses shall be calculated on a calendar year basis.

(i) In the year in which the initial support order is entered, or in any period in which support is being paid that is less than a full year, the \$250 threshold shall be pro-rated.

(ii) The party seeking allocation for an unreimbursed medical expense shall provide to the other party the expense's documentation, such as a receipt or an invoice, promptly upon receipt, but not later than March 31st of the year following the calendar year in which the final bill was received by the party seeking allocation.

(iii) For purposes of subsequent enforcement, unreimbursed medical bills need not be submitted to the domestic relations section prior to March 31st.

(iv) The trier-of-fact shall have the discretion to not allocate an expense if documentation is not timely provided to the other party.

(4) If the trier-of-fact determines that out-of-network medical expenses were not obtained due to medical emergency or other compelling factors, the trier-of-fact may decline to assess the expenses against the other party.

[Note: If the trier-of-fact determines that the obligee acted reasonably in obtaining services that were not specifically set forth in the order of support, payment for such services may be ordered retroactively.]

(d) *Private School Tuition or Summer Camp. Other Additional Expenses.* Expenses outside the scope of typical child-rearing expenses, such as private school tuition, summer camp fees, and other additional expenses as set forth in subdivision (d)(2), have not been factored into the Basic Child Support Schedule.

(1) *Private School Tuition or Summer Camp.* If the trier-of-fact determines that private school or summer camp is reasonable under the parties' circumstances, the trier-of-fact shall apportion the expense to the parties.

(2) *Other Additional Expenses.* The trier-of-fact shall apportion an additional expense to the parties, if the trier-of-fact determines that the expense:

(i) is related to the child's educational, extra-curricular, or developmental activities; and

(ii) is reasonable under the parties' circumstances.

(3) The trier-of-fact may require that a party's proportionate share of a subdivision (d)(1) or (d)(2) expense is:

(i) included in or excluded from the basic child support obligation;

(ii) paid directly to the service provider; or

(iii) paid directly to the other party.

(4) *Documentation.*

(i) The party seeking allocation of an expense shall provide the other party with the expense's documentation, such as a receipt or an invoice, promptly upon receipt, but not later than March 31st of the year following the calendar year in which the party incurred the expense, unless the service provider invoices the parties separately.

(ii) For subsequent enforcement purposes, a party does not need to submit the expense's documentation to the domestic relations section before March 31.

(iii) The trier-of-fact shall have the discretion to not allocate an expense if documentation is not timely provided to the other party.

(e) *Mortgage Payment.* The support guidelines assume that the spouse occupying the marital residence will be solely responsible for the mortgage payment, real estate taxes, and homeowners' insurance. Similarly, the trier-of-fact shall assume that the party occupying the marital residence will be paying the items listed unless the recommendation specifically provides otherwise.

(1) If the obligee is living in the marital residence and the mortgage payment exceeds 25% of the obligee's monthly net income (including amounts of spousal support, alimony *pendente lite*, and child support), the trier-of-fact may require the obligor to assume up to 50% of the excess amount in the obligor's support obligation.

(2) If the obligor is occupying the marital residence and the mortgage payment exceeds 25% of the obligor's monthly net income (less any amount of spousal support, alimony *pendente lite*, and child support the obligor is paying), the trier-of-fact may downwardly adjust the obligor's support obligation.

(3) This rule shall not be applicable after a final resolution of the outstanding economic claims in the parties' divorce action.

(4) For purposes of this subdivision, "mortgage" shall include a first mortgage, real estate taxes, and homeowners' insurance and may include a subsequent mortgage, a home equity loan, and other marital obligations secured by the marital residence.

Comment:

Subdivision (a)(1)(i) Example: Mother has primary custody of the parties' two children and Father has partial custody. The parties' respective monthly net incomes are \$2,000 and \$3,500. At the combined monthly net income of \$5,500 for two children, the basic child support obligation is \$1,567. As Father's income represents 64% of the parties' combined monthly net income, Father's basic child support obligation is \$1,003. Mother incurs monthly child care expenses of \$400, and Father incurs \$100 per month. The total child care expenses, \$500, will be apportioned between the parties, with Father paying 64%, or \$320. As Father is paying \$100 for the children's child care during in his partial custody, he would pay the remaining \$220 to Mother for a total child support obligation of \$1,223 (\$1,003 + \$220).

Subdivision (b) does not apply to Medical Assistance. See 23 Pa.C.S. § 4326(1).

Subdivision (b)(1)-(b)(2) Example 1: If the parties are separated, but not divorced, and Husband pays \$200 monthly for employer-provided health insurance for himself, Wife, the parties' child, and two additional children from a previous marriage, the premium attributable to the additional two children, if not otherwise verifiable or known with reasonable ease and certainty, is calculated by dividing \$200 by five persons and then multiplying the resulting amount of \$40 per person by the two additional children, for a total of \$80 to be excluded from allocation. Deduct this amount from the total premium to arrive at the premium to be allocated between the parties—\$120. Since Husband is paying the premium, and spouses have a statutory duty to support one another pursuant to 23 Pa.C.S. § 4321, Wife's percentage share of the \$120 is deducted from Husband's support obligation. If Wife had been providing the coverage, Husband's percentage share would be added to his basic support obligation.

Subdivision (b)(1)-(b)(2) Example 2: If the parties are divorced and Father pays \$200 monthly for employer-provided health insurance for himself, the parties' child, and two additional children from a previous marriage, the premium attributable to Father and the two additional children will not be allocated between the parties. Thus, using the same calculations in Example 1, the premium attributable to Father and the two other children is \$150 (\$200 premium divided among four covered persons equals \$50 per person multiplied by three) and that amount is deducted from the total premium, leaving \$50 (\$200 - \$150 = \$50) to be allocated between the parties.

Subdivision (b)(1)-(b)(2) Example 3: The parties are divorced, and Mother is the obligee of a child support order. Father, the obligor, pays \$200 monthly for employer-provided health insurance for himself and the parties' child. Mother pays \$400 per month for her employer-provided health insurance that covers only herself. The premium Father pays to cover the parties' child, \$100 (\$200 premium divided between two covered persons, Father and the child), will be allocated between the parties in proportion to their respective monthly net incomes. The premium that covers Father will not be allocated because the parties are no longer married, and he is not owed a duty of support by Mother. The premium Mother pays to provide her own coverage will not be allocated because the parties are no longer married and she is not owed a duty of support by Father.

Concerning subdivision (b)(3), the maximum amount of any attachment for child and medical support is set forth by the federal Consumer Credit Protection Act, 15 U.S.C. §§ 1601 et seq.

Concerning subdivision (c), if the trier-of-fact determines that the obligee acted reasonably in obtaining services that were not specifically set forth in the order of support, payment for such services may be ordered retroactively.

Concerning subdivision (c)(1), while cosmetic, chiropractic, psychiatric, psychological, or other expenses are not required to be apportioned between the parties, the trier-of-fact may apportion such expenses that it determines to be reasonable and appropriate under the circumstances.

Historical Commentary

The following commentary is historical in nature and represents statements of the Committee at the time of rulemaking:

Explanatory Comment—2004

Subdivision (a), relating to the federal child care tax credit, has been amended to reflect recent amendments to the Internal Revenue Code, 26 U.S.C. § 21. By generally referencing the Tax Code, rather than incorporating current Code provisions in the rule, further amendments will be incorporated into the support calculation.

Explanatory Comment—2005

Pa.R.C.P. No. 1910.16-6 governs the treatment of additional expenses that warrant an adjustment to the basic support obligation.

Subdivision (a) relates to child care expenses. Subdivision (a) has been amended to require that child care expenses incurred by either party are to be allocated between the parties in proportion to their respective net incomes. Subsection (a)(1), relating to the federal child care tax credit, was amended in 2004 to reflect recent amendments to the Internal Revenue Code. 26 U.S.C. § 21. By referring to the Tax Code in general, rather than incorporating current Code provisions in the rule, any further amendments will be incorporated into the support calculation. Since the tax credit may be taken only against taxes owed, it cannot be used when the eligible parent does not incur sufficient tax liability to fully realize the credit. For this reason, subsection (2) provides that no adjustment to the total child care expenses may be made if the eligible parent does not qualify to receive the credit.

Subdivision (b) addresses health insurance premiums. The cost of the premiums is generally treated as an additional expense to be allocated between the parties in proportion to their net incomes. Subdivision (b)(1) of the rule permits allocation of the entire premium, including the portion of the premium covering the party carrying the insurance, when the insurance benefits the other party and/or the children. Subdivision (b)(2) clarifies that, in calculating the amount of the health care premium to be allocated between the parties, subdivision (b)(1) requires the inclusion of that portion of the health insurance premium covering the party who is paying the premium, so long as there is a statutory duty of support owed to that party, but not the portion of the premium attributable to non-parties and children who are not the subjects of the support order. Subdivision (b)(2) provides for proration of the premium when the health insurance covers other persons who are not subject to the support action or owed a statutory duty of support. Subdivision (b) also permits an alternative method for dealing with the cost of health insurance premiums in certain circumstances. While, in general, the cost of the premiums will be treated as an additional expense to be allocated between the parties in proportion to their net incomes, in cases in which the obligee has no income or minimal income, subsection (4) authorizes the trier-of-fact to reduce the obligor's gross income for support purposes by some or all of the amount of the health insurance premiums. This is to avoid the result under a prior rule in which the entire cost of health insurance would have been borne by the obligor, with no resulting reduction in the amount of support he or she would otherwise be required to pay under the support guidelines. The goal of this provision is to encourage and facilitate the mainte-

nance of health insurance coverage for dependents by giving the obligor a financial incentive to maintain health insurance coverage.

Subdivision (c) deals with unreimbursed medical expenses. Since the first \$250 of medical expenses per year per child is built into the basic guideline amount in the child support schedule, only medical expenses in excess of \$250 per year per child are subject to allocation under this rule as an additional expense to be added to the basic support obligation. The same is true with respect to spousal support so that the obligee-spouse is expected to assume the first \$250 per year of these expenses and may seek contribution under this rule only for unreimbursed expenses which exceed \$250 per year. The definition of "medical expenses" includes insurance co-payments, deductibles and orthodontia and excludes chiropractic services.

Subdivision (d) governs apportionment of private school tuition, summer camp and other unusual needs not reflected in the basic guideline amounts of support. The rule presumes allocation in proportion to the parties' net incomes consistent with the treatment of the other additional expenses.

Subdivision (e) provides for the apportionment of mortgage expenses. It defines "mortgage" to include the real estate taxes and homeowners' insurance. While real estate taxes and homeowners' insurance must be included if the trier-of-fact applies the provisions of this subdivision, the inclusion of second mortgages, home equity loans and other obligations secured by the marital residence is within the trier-of-fact's discretion based upon the circumstances of the case.

Explanatory Comment—2006

A new introductory sentence in Pa.R.C.P. No. 1910.16-6 clarifies that additional expenses contemplated in the rule may be allocated between the parties even if the parties' respective incomes do not warrant an award of basic support. Thus, even if application of either formula Pa.R.C.P. No. 1910.16-4 results in a basic support obligation of zero, the trier-of-fact may enter a support order allocating between the parties any or all of the additional expenses addressed in this rule.

The amendment of subdivision (e) recognizes that the obligor may be occupying the marital residence and that, in particular circumstances, justice and fairness may warrant an adjustment in his or her support obligation.

Explanatory Comment—2008

Federal and state statutes require clarification to subdivision (b) to ensure that all court orders for support address the children's ongoing need for medical care. In those instances where the children's health care needs are paid by the state's medical assistance program, and eligibility for the Children's Health Insurance Program ("CHIP") is denied due to the minimal income of the custodial parent, the obligor remains required to enroll the parties' children in health insurance that is, or may become, available that is reasonable in cost.

Government-sponsored health care plans represent a viable alternative to the often prohibitive cost of health insurance obtainable by a parent. Except for very low income children, every child is eligible for CHIP, for which the parent with primary physical custody must apply and which is based on that parent's income. A custodial parent may apply for CHIP by telephone or on the Internet. While co-premiums or co-pays increase as the custodial parent's income increases, such costs are generally mod-

est and should be apportioned between the parties. Moreover, health care coverage obtained by the custodial parent generally yields more practical results, as the custodial parent resides in the geographic coverage area, enrollment cards are issued directly to the custodial parent, and claims may be submitted directly by the custodial parent.

Explanatory Comment—2010

Subdivision (e), relating to mortgages on the marital residence, has been amended to clarify that the rule cannot be applied after a final order of equitable distribution has been entered. To the extent that *Isralsky v. Isralsky*, 824 A.2d 1178 (Pa. Super. 2003), holds otherwise, it is superseded. At the time of resolution of the parties' economic claims, the former marital residence will either have been awarded to one of the parties or otherwise addressed.

Explanatory Comment—2018

The amendments provide for an adjustment to the parties' monthly net incomes prior to determining the percentage each party pays toward the expenses set forth in Pa.R.C.P. No. 1910.16-6. Previously, the Rules of Civil Procedure apportioned the enumerated expenses in Pa.R.C.P. No. 1910.16-6(a)—(d), with the exception of subdivision (c)(5), between the parties based on the parties' respective monthly net incomes as calculated pursuant to Pa.R.C.P. No. 1910.16-2. This apportionment did not consider the amount of support paid by the obligor or received by the obligee.

The amended rule adjusts the parties' monthly net incomes, upward or downward, by the spousal support/APL amount paid or received by that party prior to apportioning the expenses. This methodology is not new to the Rules of Civil Procedure. In Pa.R.C.P. No. 1910.16-6(c)(5) (rescinded), the parties' monthly net incomes in spousal support/APL-only cases were similarly adjusted prior to the apportionment of unreimbursed medical expenses. Likewise, Pa.R.C.P. No. 1910.16-6(e) considers the parties' monthly net income after the receipt or payment of the support obligation for purposes of determining a mortgage deviation. As the new procedure adopts the methodology in former subdivision (c)(5), that subdivision has been rescinded as delineating the spousal support only circumstance is unnecessary.

Lastly, the amendment consolidates Pa.R.C.P. No. 1910.16-6(b)(1), (2), and (2.1).

SUPREME COURT OF PENNSYLVANIA DOMESTIC RELATIONS PROCEDURAL RULES COMMITTEE

ADOPTION REPORT

Amendment of Pa.R.Civ.P. 1910.16-2 and 1910.16-6

On October 25, 2024, the Supreme Court amended Pennsylvania Rules of Civil Procedure 1910.16-2 and 1910.16-6 governing subsequent changes to income, the calculation of earning capacity, and discretionary allocation of child care expenses that would be paid if a parent were employed, in support matters. The Domestic Relations Procedural Rules Committee has prepared this Adoption Report describing the rulemaking process. An Adoption Report should not be confused with Comments to the rules. See Pa.R.J.A. 103, cmt. The statements contained herein are those of the Committee, not the Court.

As part of the last quadrennial support guideline review, the Committee recommended several amendments of Pa.R.Civ.P. 1910.16-2. The first aspect, in subdivision (d)(1), governed a party's voluntary income reduction and operated to prevent the party's basic support obligation from being downwardly adjusted. The second aspect, in subdivision (d)(2), governed a party's involuntary income reduction and instructed whether the party's basic child support obligation should correspondingly be downwardly adjusted. Subsumed within subdivision (d)(2) were provisions related to incarceration and earning fluctuations. The third aspect, in subdivision (d)(3), governed seasonal employees and required the trier-of-fact to base monthly net income on a yearly average.¹

The fourth aspect of the amendment of Pa.R.Civ.P. 1910.16-2, concerned subdivision (d)(4), which governed earning capacity, *i.e.*, income imputation, if a party is unemployed or underemployed. This subdivision contained limits on earning capacity and set forth factors to be considered by the trier-of-fact when determining an earning capacity. The subdivision also required the trier-of-fact to consider child care expenses the party would incur if employed. See Pa.R.Civ.P. 1910.16-2(d)(4)(i)(D). This latter requirement was intended to permit those hypothetical child care expenses to be allocated when an earning capacity is imputed.

Pa.R.Civ.P. 1910.16-6(a), governing the allocation of child care expenses, was also amended to add subdivision (a)(1)(ii) indicating that child care expenses "paid" when imputing an earning capacity may be allocated. This subdivision also contained a cross-reference to Pa.R.Civ.P. 1910.16-2(d)(4)(i)(D).

Questions have arisen about the interplay among subdivisions (d)(1), (d)(2), and (d)(4). Absent clarification, multiple subdivisions may apply to the same circumstances. Specifically, subdivision (d)(4) governing earning capacity for an unemployed and underemployed party could arguably apply to a party's voluntary income reduction governed by subdivision (d)(1).

Subdivisions (d)(1)-(d)(2) are intended to apply to existing support orders and whether an existing support obligation can be reduced. Subdivision (d)(4) is intended to apply when establishing an initial support order based on imputed income when potential income is not fully realized. In essence, subdivisions (d)(1)-(d)(2) are reductive while subdivision (d)(4) is additive.

To provide expedited clarity as to the intended operation of these rules, subdivisions (d)(1) and (d)(2) have been amended to insert language indicating that those subdivisions apply to existing orders. Further, subdivision (d)(4) has been amended to indicate that subdivision applies to initial orders.

The intended operation of Pa.R.Civ.P. 1910.16-2(d)(4)(i)(D) and Pa.R.Civ.P. 1910.16-6(a)(1)(ii) concerning the discretionary allocation of hypothetical child care expenses when an earning capacity has been imputed was frustrated with the errant use of "paid" in Pa.R.Civ.P. 1910.16-6(a)(1)(ii). See, *e.g.*, *M.M.F. v. M.F.*, 273 A.3d 1036 (Pa. Super. 2022), *appeal granted in part sub nom. Fiocchetta v. Fiocchetta*, 283 A.3d 1244 (Pa. 2022), and *appeal dismissed as improvidently granted sub nom. Fiocchetta v. Fiocchetta*, 300 A.3d 317 (Pa. 2023). To implement what was intended, "that would be" has been added to precede "paid" in Pa.R.Civ.P. 1910.16-6(a)(1)(ii). Further, "for the purpose of discretionary allocation pur-

¹ Subdivision (d)(3) operates to modify subdivision (a), which states that monthly gross income is based on at least a six-month average of a party's income.

suant to Pa.R.Civ.P. 1910.16-6(a)(1)(ii)” has been added to Pa.R.Civ.P. 1910.16-2(d)(4)(i)(D) to provide a reciprocal cross-reference.

The Comment to Pa.R.Civ.P. 1910.16-2 has been supplemented with commentary intended to guide the application of subdivision (d)(4) and curtail the practice of using hypothetical child care expenses to reduce an imputed income, which operates to decrease that party’s basic child support obligation under the income shares model. It is also intended to foreclose the potential practice of

“double counting” hypothetical child care expenses whereby they are used to reduce imputed income *and* are allocated.

The Committee intends to further study these topics as part of the current quadrennial support review.

These amendments become effective immediately.

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