137-050-0725
Basic Support Obligation

(1) The scale of basic child support obligations, found in the appendix to these rules, must be used in every support calculation made under ORS 25.270 to 25.280. The scale is based on

Commentary: The Child Support Program is required by ORS 25.270 and 45 CFR 302.56 to review the Child Support Guidelines every four years.

In March 2006, Policy Studies, Inc. (PSI) completed a study analyzing nationwide data on the cost of raising children. The updated obligation scale was developed from new economic estimates of child-rearing expenditures developed by Dr. David Betson for Oregon. The scale is based on expenditures data collected from households in 1998 through 2004 through the Consumers Expenditures Survey (CEX) conducted by the U.S. Bureau of Labor Statistics. The obligation scale also considers 2006 price levels, 2006 federal and state income taxes and FICA, and the 2006 poverty guidelines. The data period considered in the obligation is based on a larger sample, so produces more statistically robust estimates. It covers a range of economic cycles (i.e., the economic boom of the 1990s, the economic recession that began and ended in 2002, and the post-recovery period of today), so is less economically volatile than previous estimates.

In 2010, the Child Support Program asked Oregon’s Office of Economic Analysis to review the obligation scale in light of current economic conditions. The Office of Economic Analysis concluded that the 2006 guidelines scale was still sufficiently reliable.

Needs vs. wants
The scale covers the basic needs of raising a child and does not cover the “wants” of a child. The scale’s drafters realized that extra-curricular activities and other “wants” are common decisions being made when the child support obligation is being calculated, but the scale is based on basic needs only.

Age of the child
The drafters declined to adopt varying standards for children at different age levels. The guidelines scale incorporates an average of expenses for children from 0 through 17 years old.

Oregon law provides for child support to continue and to be distributed directly to the child if the child is attending school and is over the age of 18 and under the age of 21 years old under ORS 107.108. The scale is derived from data based on children from 0–17 years old. The drafters chose to apply the scale to children in this age group. The presumption in favor of the guideline support obligation may be rebutted under OAR 137-050-0760.

Number of children
Prior to 2003, this rule provided a formula for determining the amount of support when support is sought for seven or more children. This formula was developed in 1994 to determine a presumed support amount by using a fixed multiplier of 6.6% to the presumed amount for six children for each additional child thereafter. To make the scale easier to use, the drafters applied the formula to the scale and continued the scale out to 10 children. The formula was removed from the rule in 2003.

There are no current data to support a specific 6.6% increase for each additional child after six children. The 1998 PSI study discusses adjustments for the number of children, and reports that the multiplier decreases as the number of children increases because of a reallocation of the adult’s share of expenditures to provide for more children, and each child’s share of expenditures is reduced to accommodate the needs of additional children. In 2007, the scale was adjusted to add support figures for up to ten children, and considered those adjustments discussed in the study that gradually reduce the “needs factor” for each child after six and recognize that there is a point at which additional support is not needed or is no longer affordable. Therefore, the current scale adds 5.6% to the figure for six children for the seventh child, and to that adds 4.2% for the eighth child, and to that adds 2.8% for the ninth child, and to that adds 1.4% for the tenth child. There is no additional support for any child beyond the tenth child.
Key assumptions of the Policy Studies, Inc. guideline review


(1) Guidelines based on net income, then converted to gross income. As implied above, a table of child support based on obligor net income is developed before converting the tables to gross income. The tables are converted to gross income for three reasons:

   - Use of gross income greatly simplifies use of the child support guidelines because it obviates the need for a complex gross-to-net calculation in individual cases;
   - Use of gross income can be more equitable because it avoids non-comparable deductions that may arise in making the gross-to-net calculation in individual cases; and
   - Use of gross income does not cause child support to be increased when an obligor acquires additional dependents, claims more exemptions, and therefore has a higher net income for a given level of gross income.

In converting the obligation scale to a gross income base, we have assumed that the obligated parent claims two exemptions, which is consistent with the IRS withholding formula for employers. It simulates the standard deduction and one exemption. Because the IRS withholding formula provides the same tax formula for single individuals and head of households, there is no distinction. Similarly, the Earned Income Tax Credit is not considered because it is not advanced to single, qualifying individuals without dependents. In all, this is the most favorable assumption that can be made concerning an obligor's filing status. Obligors with more exemptions or itemized deductions, would have a slightly higher obligation under an equivalent net income guideline even if the obligee receives the advanced Earned Income Tax Credit. The child tax credit is not considered because it is not advanced and not all families are eligible.

(2) Tax exemptions for child(ren) due support. The obligation scale presumes that the obligated parent does not claim the tax exemptions for the child(ren) due support. In computing federal tax obligations, the primary residential parent is entitled to claim the tax exemption(s) for any divorce occurring after 1984, unless the primary residential parent signs over the exemption(s) to the alternate residential parent each year. Given this provision, the most realistic presumption for development of the obligation scale is that the primary residential parent claims the exemption(s) for the child(ren) due child support.

(3) Income assumed to be taxable. Because the obligation scale has withholding tables built into it, the design assumes that all income of both parents is taxable.

(4) Obligation scale does not include expenditures on child care, extraordinary medical expenses, and children's share of health insurance costs. The obligation is based on economic data that represent estimates of total expenditures on child-rearing costs up to age 18. The major categories of expenditures include food, housing, home furnishings, utilities, transportation, clothing, education, and recreation. Excluded from these figures are average expenditures for child care, children’s extraordinary medical care, and the children’s share of health insurance. These costs are deducted from the base amounts used to establish the Schedule because they are added to child support obligations as actually incurred in individual cases. Deducting these expenditures from the base amounts avoids double-counting them in the child support calculation.

(5) Obligation scale includes expenditures on ordinary medical care. Although expenditures for the children's extraordinary medical care and the children's share of health insurance are to be added to the child support obligation as actually incurred in individual cases, it is assumed that parents will make some expenditures on behalf of the children's ordinary medical expenses (i.e., out-of-pocket expenses not covered by insurance). This includes band-aids, co-pays for doctor’s well visits, and over-the-counter medicines. Expenditures on ordinary medical care are $250 per year per child, which approximates average out-pocket expenses nationally.
national data on childrearing expenditures relative to family income. The scale applies regardless of where the parent resides or works.\(^2\)\(^3\)

(2) Determine the basic child support obligation by referencing the scale using the number of children for whom support is sought and the combined adjusted income of the parents.

(3) If the combined adjusted gross income of the parents is more than $30,000 per month, the basic child support obligation is the same for parents with combined adjusted income of $30,000 per month.\(^4\)

(4) The basic child support obligation for more than ten children is the same as for ten children.\(^5\)

(5) When the parents' combined income falls between two income amounts on the scale, use the lower income amount on the scale to determine the basic child support obligation.

(6) Determine each parent’s share of the basic support obligation by multiplying the combined basic support obligation by the parent’s percentage share of adjusted income as provided by OAR 137-050-0720. The basic support amount may not exceed the parent's income available.

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\(^2\) Commentary: The scale amounts were originally determined based on net (post-tax) income. Oregon decided to base support on gross income in part to prevent variations in tax filing from biasing the support obligation. To convert the income ranges from net to gross, the scale assumes that the obligated parent claims two exemptions based on the Internal Revenue Service’s withholding formula for employers, which uses the standard deduction and one exemption. See also: [http://oregonchildsupport.gov/laws/guidelines_archive/psi_guidelines_review_2006.pdf#page=22](http://oregonchildsupport.gov/laws/guidelines_archive/psi_guidelines_review_2006.pdf#page=22)

\(^3\) Commentary: The obligation scale presumes that the obligated parent does not claim the tax exemptions for the children. The parenting time credit is derived from the basic support obligation, so it effectively assumes the parents share in the benefit of the children’s tax exemptions in proportion to each parent’s share of parenting time. If the parents claim the children’s exemptions in a manner inconsistent with the division of the parenting time credit, and the effect on the support amount renders the guideline amount unjust or inappropriate, a parent may seek a rebuttal as provided in OAR 137-050-0760. The Child Support Program does not provide a calculation resource for determining the tax effects of switching the child tax exemption from one parent to another. [http://oregonchildsupport.gov/laws/guidelines_archive/psi_guidelines_review_2006.pdf#page=23](http://oregonchildsupport.gov/laws/guidelines_archive/psi_guidelines_review_2006.pdf#page=23)

\(^4\) Commentary: The guideline scale only computes support obligations for combined incomes up to $30,000. If the result is unjust or inappropriate, it may be rebutted as provided in OAR 137-050-0760.

\(^5\) The guideline scale only computes support obligations for up to ten children. If the result is unjust or inappropriate, it may be rebutted as provided in OAR 137-050-0760.
for support as provided in OAR 137-050-0745.

Link to the appendix (the scale):  

Stats. Implemented: ORS 25.275, 25.280  
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