

METHODS OF COLLECTION OF CHILD SUPPORT

The Child Support legislation imposes a legal obligation on parents to provide for the financial support of their children.

The role of the Child Support Agency is to assess and collect child support. Assessments are made under the Child Support Agency formula, which was changed on 1 July 2008.

Once an administrative assessment is issued most parents are able to arrange collection either, through a private arrangement or a paying parent can choose to have their child support payments automatically deducted from their pay.

In situations where there has been a lack of commitment by a paying parent to meet their child support responsibilities the following enforcement options are available through the CSA.

1. EMPLOYER DEDUCTIONS OF ARREARS

In circumstances where there are arrears in relation to child support, the CSA may require an employer to deduct the payments directly from the payer's wage or salary.

2. INTERCEPTING TAX REFUNDS

The Australian Tax Office is obliged to advise the CSA when a tax refund is available to a child support parent and is about to be paid. The CSA may then take the refund and apply it to meet an outstanding child support payment.

3. ISSUING OVERSEAS TRAVEL BANS

If a paying parent has overdue child support and refuses to work with the CSA to pay the overdue amount, the CSA is able to prevent the payer from travelling overseas by issuing a **departure prohibition order** (DPO). A DPO is an administrative order that the CSA can issue to prevent parents from leaving Australia until they pay their overdue child support or negotiate a satisfactory payment arrangement. The CSA does not require a court order to prevent a payer from leaving Australia.

4. GARNISHING BANK ACCOUNTS

The CSA is also able to apply to place a notice on bank accounts to recover unpaid child support where no payment arrangements are in place. This would mean that any significant funds in a payee parent's bank account may be collected to pay any outstanding arrears.

The Child Support Agency generally uses its powers to obtain funds from bank accounts only after discussion and negotiation with the debtor has failed.

5. LITIGATION

Where other enforcement methods have not worked and where an asset or income stream is identified in the payer's name, the CSA is able to take parents to court to collect outstanding child support payments.