

## **Child Support and Income Equality**

Yoonsook Ha

Boston University

Maria Cancian

Daniel R. Meyer

University of Wisconsin–Madison

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Historically, child support policy has been influenced by the higher average employment and earnings of men, relative to women, and a related perception that noncustodial fathers have more resources than custodial-mother families. In part, this perception comes from the very low incomes of single-mother households. In 1980 about 30 percent of single-mother households were living below poverty, compared to 5 percent for married-couple families and 10 percent for single-father households. Three decades later, poverty rates are somewhat higher, but relative rates for single-mother, married-couple, and single-father households remain remarkably stable, being 34 percent, 7 percent, and 17 percent in 2011, respectively (U.S. Census Bureau, n.a.). Some earlier evidence has shown that noncustodial fathers' incomes were likely to increase substantially over time, and that fathers were better off than mothers after dissolution (Bartfeld, 2000; Duncan & Hoffman, 1985; Meyer, 1993; Phillips & Garfinkel, 1993). Thus, many policy-makers believed that policies requiring noncustodial fathers to pay child support would not only enforce parental responsibility, but would also involve sharing resources that fathers could generally afford, and which would then improve the economic circumstances of generally less-prosperous single-mother families.

However, while child support has contributed to the income of many custodial-mother families since its inception, there have been always concerns that a substantial proportion of noncustodial fathers have low-wage, unstable jobs that limit their ability to pay child support (Rich, 2001; Sorensen, 1997). Several recent trends highlight noncustodial fathers' difficulties. The persisting economic downturn and substantially high unemployment rate in recent years has exacerbated the economic circumstances that many low-income noncustodial fathers are facing; a recent study found that 39 percent of noncustodial fathers' earnings decreased from 2006 to

2009 (in contrast, 22 percent increased their earnings), and more than one quarter of fathers lost at least half their earnings during this period (Wu, 2011). In addition, research indicates that the incarceration of low-skilled men, especially African American men, is increasing. Many of these men are noncustodial fathers, deepening concerns regarding their earning capacity after imprisonment and its implications for child support collection (Holzer, Offner, & Sorensen, 2005; Pearson, 2004). Finally, changing family structure has also added challenges in enforcing child support, particularly for low-income fathers. Recent Wisconsin studies have found high proportions of noncustodial fathers who have had children with more than one woman, and that this proportion is particularly high for low-income noncustodial fathers (Meyer, Cancian, & Cook, 2005). Thus, a considerable proportion of noncustodial fathers owe child support to more than one custodial-mother family, and their economic resources may be such that they have difficulty paying multiple orders.

Custodial-mother families still have lower labor market income than noncustodial fathers, though the gender gap has been shrinking (Cancian, Meyer, & Han, 2011). However, families with resident children (custodial-mother families and others) typically have access to the Earned Income Tax Credit (EITC) and a variety of other supports while those without resident children have access to much more limited supports. For example, the maximum amount of the federal EITC in 2011 was \$464 for those with no qualifying children, but \$3,904 for those with one child and \$5,112 for those with two qualifying children. In addition to more government support, the economic well-being of custodial parents is also improved by child support. In contrast, paying support decreases the economic resources for noncustodial parents. In 2009 about half of custodial parents had child support due, and about 61 percent of them received something, averaging \$3,630 (Grall, 2011).

Given the economic difficulties faced by men, the limited economic support of those without resident children, and the sometimes substantial public support to those with children, some policymakers and researchers have become concerned that, for some families, child support may exacerbate inequality, taking resources from a noncustodial parent with low income and giving it to a custodial-parent family that is already better off. While there are a variety of policy arguments for different levels of child support in these situations, these arguments are generally made without reference to data. Thus, this study aims to provide evidence on the role of child support transfers in equalizing income between custodial and noncustodial parent families by comparing the relative economic well-being of matched pairs of resident mothers and nonresident fathers. Moreover, given the previous research that found some changes in economic well-being over time, we examine the role of child support in equalizing income over a five-year period.

## **Data and Methods**

### Data

A merged dataset from multiple sources of Wisconsin administrative data from 2000 to 2005 was used for the analysis. We drew information on the couples' child support orders and payments from the KIDS database (Wisconsin's child support information system) and information on the couple's participation in W-2 and the Supplemental Nutrition Assistance Program (SNAP) from the CARES database (Wisconsin's public assistance information system). To obtain information on the couple's incomes, we used two datasets: the Wisconsin Department of Revenue (DOR) data and Unemployment Insurance (UI) wage records. We used the couples' Wisconsin taxable income reported in state individual tax returns each year as the main source of

income information, because Wisconsin taxable incomes provide a more comprehensive measure of individual income including earnings, income from self-employment, dividends, capital gains, and so on, compared to the UI records, which only have information on covered earnings. However, in Wisconsin, low-income individuals are not required to file state tax returns,<sup>1</sup> leaving us with a significant proportion of low-income individuals' incomes that are missing. Thus, if one parent or both parents in the pair did not file a state tax return (that is, has missing taxable income) in a particular year but either parent had known earnings from UI data, we used UI earnings information for that parents' income, assuming that earnings are the only pre-tax/transfer source of income for these individuals. About 61 percent of fathers and 81 percent of mothers filed state tax returns in 2001, which decreased somewhat to 55 percent and 66 percent in 2005. For couples who did not file tax returns, between 22 and 24 percent had UI earnings over the time period. Couples who did not both file tax returns and who did not both have UI earnings are treated as having zero income in our base runs. We also tried alternative methods of determining income to examine how sensitive our conclusions are to various measurement issues.

Finally, we used the TAXSIM program, a widely used microsimulation model developed by the National Bureau of Economic Research, to estimate each parent's tax liabilities. Individuals' filing status, the number of dependent children, and income are some of the key information required by TAXSIM to estimate taxes. For those who filed a state tax return, we used the information on filing status, dependents, and income that were reported on the return.

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<sup>1</sup> In Wisconsin, individuals are not required to file a state tax return if they have an annual income of less than \$10,110 if they are single or \$12,850 if they are single but the head of the household. Similarly, married couples are not required to file a state tax return if their income is less than \$18,340 for joint filers or \$9,000 if they file separately. Note, however, that Wisconsin has a refundable tax credit to offset the rent of low-income individuals and families, which, along with the EITC, makes it advantageous for many with low income to file even if they are not required to do so.

For those who did not file a return, generally low-income individuals, we imputed fathers being single with no dependent children and mothers being the head of the household, with the number of children for whom she was the custodial parent as shown in the child support records. We used this information on filing status and dependents together with the income information obtained from the DOR and UI data. This was input into the TAXSIM program to estimate each parent's tax liability, including both federal and state tax liabilities, after considering all deductions and credits (such as the child care credit or the EITC).

### Sample

We wanted to examine couples with child support orders over a five-year period so we could trace changes in income and payments over time. Our sample begins with all couples that had their first child support order in 2000—totaling 17,223 couples—and followed their income and child support orders and payments from 2001 to 2005. We excluded cases that were not demographically eligible for child support for the entire follow-up period or in which we had incomplete data, including cases whose youngest child became 18 years old before 2005, cases in which the child or the noncustodial parents died, and cases that were known to be out of the state, which would make our state-based administrative records incomplete (excluded n=2,302). In addition, because the purpose of this study is to examine the impact of child support transfers on the relative economic status between the custodial and the noncustodial parents over the 5-year period, we included only cases in which the father was the noncustodial parent and the mother was the custodial parent at the time the order was established and in which the custodial relationship did not change during the time period (excluded n=2,483). A third major category of exclusion were cases in which the child support orders were not in effect over the five years

(n=2,393). Finally, we excluded fewer than 250 cases because of data errors.<sup>2</sup> We do not examine custodial fathers and noncustodial mothers because these cases are substantially different. After all exclusions, the analysis was conducted with the final sample of 9,803 couples whose child support orders were in effect for the 5-year period and in which the father was the noncustodial parent and the mother was the custodial parent over the 5-year follow-up period.

### Measures

*Pre-tax/transfer Income.* Pre-tax/transfer income was defined as income that parents obtained in the labor market and taxable unearned income (for example, rental income, dividends and interest, and capital gains). This measure does not incorporate any public transfers (public assistance benefits or federal or state tax liabilities or tax credits). Thus, the mother's pre-tax/transfer income includes their market income, measured as Wisconsin taxable income or earnings if taxable income was missing, and child support received from fathers other than the father of the 2000 order. For fathers, Wisconsin taxable income (or UI earnings) was used as the father's pre-tax/transfer income.

*Post-tax/transfer Income.* We added W-2 and the cash value of SNAP benefits to each parent's pre-tax/transfer income, and then incorporated income tax liabilities (whether positive or negative). Total income tax liabilities were calculated using TAXSIM, and then summing federal and state income tax liability, less federal and state EITC, less the child tax credit, if received.

*Post-child support Income.* Post-child support income considered the amount of child support transfer between the parents of the 2000 order. Thus, mothers' post-child support income was measured as the sum of post-tax/transfer income and the amount of child support received from the father in the 2000 order. Fathers' post-child support income was measured as post-

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<sup>2</sup> These include 58 cases in which we could not generate tax estimates, 148 cases in which a father began to owe support to two different mothers in 2000 (we excluded the second mother), and 36 cases that appear to be errors in the DOR data.

tax/transfer income less child support paid to the mothers. Note that, for some families, the amount that fathers pay is not all received by mothers; some is retained by the government as fees or to offset welfare or medical costs.

### Analytical Method

We first described the mean income and the mean and distribution of the economic status of the couples by three measures of income: pre-tax/transfer income, post-tax/transfer income, and post-child support income. Each parent's incomes were compared to the federal poverty line in each of the five years<sup>3</sup> and categorized into three different levels of poverty: (1) income less than 100 percent of the poverty line, (2) income between 100 percent and 200 percent of the poverty line, and (3) income more than 200 percent of the poverty line. We also separated out a category for those who had no information about income in each of the five years. For most measures we divide income by the poverty line, which is in effect an adjustment for family size, calling the result "adjusted income." All dollar amounts were in nominal dollars.

We then examined the relative economic status of the matched pairs of custodial mothers and noncustodial fathers with the three measures of income to show how often the custodial mother's adjusted income is less than the noncustodial father's, how often it is about the same, and how often it is more. A comparison of the first two measures of income—pre-tax/transfer income versus post-tax/transfer income—demonstrates the extent to which social transfers are reducing (or increasing) income gaps within couples. A comparison of the second and third measure—post-tax/transfer income versus post-child support income—demonstrates the extent to which child support is reducing (or increasing) the income gaps within the couples.

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<sup>3</sup> Note that our measures are not the same as the official poverty measures. The official poverty measure does not consider net tax liabilities or the cash value of SNAP. Moreover, it counts child support income as a resource to the custodial parent, but does not subtract child support paid from the resources of the noncustodial parent.



To assist in the comparison of incomes between fathers and mothers, we used two alternative measures to show the relative economic status of the couples. Our first measure looks at which parent is better off, and by how much, in terms of adjusted income. We computed differences between the father's and the mother's adjusted income for each of the three measures of income. A difference of 1 thus means that one parent's income is one poverty-threshold more than the other parent's. For example, if one parent's income is 2.5 times poverty, and the other parent's income is 1.5 times poverty, the difference would be 1.0. We then categorize couples into five groups based on the difference in adjusted incomes: (1) the mother's adjusted income is at least 1.0 greater than the father's, (2) the mother's adjusted income is more than 0.25 but less than 1.0 greater than the father's (3) relatively little differences between mother's and father's adjusted income (with the difference smaller than 0.25), (4) the father's adjusted income is more than 0.25 but less than 1.0 greater than the mother's, (5) the father's adjusted income is greater than the mother's by at least 1.0.

The second measure also focuses on how much more income the better-off parent has compared to the worse-off parent, but this measure compares the difference not just to the poverty threshold itself, but to the lower-income person's income. More specifically, we divided the difference in adjusted income between the parents by the lower-income person's income for the three measures of income. Similar to the first measure, couples are categorized into five groups based on this difference: (1) mother's adjusted income is at least twice as high as the father's, (2) mother's adjusted income is more than 1.25 times but less than twice the father's, (3) little differences between the mother's and father's adjusted income, (4) father's adjusted income is more than 1.25 times but less than twice the mother's, (5) father's adjusted income is at least two times that of the mother. Again, by comparing three measures of income, this

analysis documents the extent to which public transfers and child support transfers reduce (or increase) the relative income gaps between the better-off parent and the worse-off parent.

## **Results**

Table 1 presents the mean income and the mean adjusted income (income divided by the poverty line, or income-to-needs) among noncustodial-father and custodial-mother families in our final sample. In 2001, the fathers' mean pre-tax/transfer income was about \$21,000, about \$5,200 higher than the mothers'. Mean pre-tax/transfer nominal incomes for both parents grew over the five-year period, and by 2005, fathers' incomes were higher than mothers' by \$6,200 (the first panel in Table 1). Similarly, the first row of the second panel in Table 1 shows income after controlling for family size and confirms that fathers were substantially better off than mothers in pre-tax/transfer income. The adjusted income measure principally adjusts for family size, but also accounts for inflation. Thus, the gap between fathers and mothers in adjusted income is larger than unadjusted income, because mothers share their income with more children. In addition, adjusted incomes for mothers and for fathers do not rise over the five year period, because the gains in nominal income are offset by inflation. The second row shows that federal and state tax liabilities and other social benefit transfers almost even out the pre-tax/transfer income gaps in absolute-dollar terms: taxes reduce fathers' income, and tax benefits and other benefits increase the mothers' income (the first panel in Table 1). For example, in 2001, mothers' mean post-tax/transfer income was \$17,055, relative to \$17,400 for fathers. However, when we adjust for each parent's family size (the number of children to care for), the mothers' mean adjusted income was still substantially lower than the fathers'—1.42 for mothers, and 1.85 for fathers. Finally, the third row shows that child support transfers changed the relative

ranking of mothers and fathers; the mothers' mean post-child support income was about \$7,200 higher than that of the fathers in absolute-dollar terms—reflecting the double impact of a transfer from fathers to mothers. Even mothers' adjusted income was higher than that of fathers, though the proportional gap was considerably smaller. These patterns remained similar over time, although the post-child support income gap was somewhat reduced by 2005.

The final panel in Table 1 shows the distribution of the poverty status of custodial mothers and noncustodial fathers. The rows show that there are a significant number of parents with no income information, with more fathers than mothers missing income. Moreover, the amount of missing income grows over time, until by 2005 32 percent of fathers and 18 percent of mothers have no income information. Because the proportion of missing income is so high, conclusions can be sensitive to how those with missing income are handled. If we assume that all those with missing income essentially have zero income (since they did not file taxes and do not have a formal earnings record), poverty rates based on pre-tax/transfer income are very high for both parents: 50.6 percent for mothers and 43.3 percent for fathers in 2001. Despite high poverty rates and the very conservative assumption about how to treat missing income, the proportion of fathers with income more than 200 percent of poverty was also substantial, 42.7 percent, and this was substantially higher than that of mothers (18.2 percent). Public transfers (including tax benefits) substantially reduce the poverty rate for custodial-mother families (from 50.6 percent to 37.7 percent) but had small effects on that of fathers (from 43.3 percent to 42.5 percent). Child support transfers reduce the poverty rate among mothers even more (to 30.7 percent) and put more mothers into the higher income categories while it increased the poverty rate for fathers above that of mothers, to 47.5 percent. Considering post-child support income, then, fathers are more likely than mothers to have incomes below poverty, but they are also more

likely than mothers to have incomes in the highest category, at more than 200 percent of poverty. Again, these patterns did not change dramatically over time; however, note that the proportion of fathers with missing income does increase over time, from 23.4 percent in 2001 to 31.9 percent in 2005.

If we make an alternative assumption and treat those with zero known income as being missing (perhaps because they are now out of state), a somewhat different picture emerges. Similar to the above analysis, the pre-tax/transfer numbers show higher poverty rates for mothers, 44.3 percent, compared to only 26.0 percent for fathers. Taxes and transfers lower poverty rates for both mothers and fathers, but especially for mothers, lowering it to 29.8 percent (24.9 percent for fathers). And, like the above analysis, in this analysis poverty rates for fathers are higher than for mothers based on post-child support income (31.5 percent for fathers, 21.9 percent for mothers). However, if we exclude those with no income information, an even higher proportion of fathers have incomes more than twice the poverty line, even after paying child support; this proportion is 40.6 percent in 2001 and increases to 48.2 percent in 2005.

Table 1 shows the status of fathers and mothers but does not directly compare the father and the mother within a couple. Table 2 presents the relative economic status of the couples in pre-tax/transfer, post-tax/transfer, and post-child support incomes. This table again follows our base assumption by treating those with missing income as having zero income. The first panel in Table 2 shows the difference in adjusted incomes between mothers and fathers in each of the three measures of income. The results demonstrate that fathers were substantially better off in recorded pre-tax/transfer income. In 2001, 51 percent of fathers had adjusted incomes greater than their ex-partners (seen by adding the bottom two rows), compared to 31.7 percent of mothers who had recorded adjusted income greater than their ex-partners. Further, a comparison

of the top and bottom rows in the panel shows that more than one-third of fathers had substantially more income than their ex-partners, compared to only one-sixth of mothers. The second panel shows a relatively modest decline in the proportion of fathers with the greatest income advantage over mothers, and a modest increase in the proportion of mothers with the greatest income advantage over fathers; the number of fathers with substantially more income than their ex-partner is still significantly more than the number of mothers who have substantially more income than their ex-partners. Child support transfers reverse the direction of inequality for more couples: now there are more mothers who have substantially more income than their ex-partners. Looking at the middle row in each set, the proportion of couples in which the two parents have similar incomes is fairly small: 17.5 percent for pre-tax/transfer income, 14.7 percent for post-tax/transfer income, and 16.3 percent for post-child support income.

The patterns do not change a great deal over the five-year period: in 2005, as in 2001, about twice as many fathers as mothers have substantially higher recorded pre-tax/transfer adjusted income than their ex-partner, but these gaps are narrowed by taxes and transfers, and then typically turned around by child support. However, note that similar to Table 1 there is some improvement in father's post-child support income status over time.

The second set of panels in Table 2 also compares the adjusted income within the couple, but compares the difference in adjusted incomes to the lower-income parent's adjusted income. Because in many couples one of the parents has very low adjusted income (or zero), this comparison reveals larger differences. In more than half the couples, one partner has more than twice as much adjusted income as the other (seen by adding the top and bottom row within each panel). These panels show a similar story: fathers are generally better off on recorded pre-tax/transfer adjusted income. Transfers and taxes even this out somewhat, and child support

overcomes mother's disadvantage, so that 40 percent of mothers have twice as much recorded post-child support income as their ex-partner.

As we noted above, a significant proportion of parents do not have income information recorded in either the tax files or the wages records, and we have already seen the difference this makes in conclusions about whether mothers or fathers as a group have higher poverty. How would an alternate treatment of income affect the conclusions about the within-couple equality? Table 3 shows sensitivity tests to alternative treatments of income, repeating the format of Table 2. Because there are few differences over time, we show only results for 2005. The first column repeats the base results, in which we treat those with missing income as being valid zeroes. In the second column, we include only couples where we have income information for both parents (n=6,408). Because the proportion with missing information is significant, these results differ substantially from the base results. Looking first at the top panel, similar to the base results, fathers are generally better off than their ex-partners in pre-tax/transfer income. In these results, the gap is even larger, with more than 60 percent of fathers being better off and about half being in the most unequal category (the bottom row). Also, similar to the base results, fathers are still better off after taxes and transfers. However, unlike the base results, fathers' advantage in post-tax/transfer income is substantial (42 percent have incomes more than one poverty line higher than mothers, compared to only 33 percent in the base results). In these results, child support is not as strongly linked to mothers becoming better off as is suggested by the base results: the proportions of fathers and mothers who are better off than their ex-partner in terms of post-child support income is about the same. The second panel shows a similar pattern: fathers are significant better off than mothers, an advantage that is lessened by taxes and transfers, and child support makes the distribution of income advantages for mothers and fathers about equal. This

table also shows results on the full sample if we do not combine income sources (and treat those with missing incomes as zero). If we use only UI earnings as our measure of income (the third column) or only use DOR income (the fourth column), we see a similar pattern: fathers are more likely to be better off than their ex-partner in pre-tax/transfer income, taxes and transfers narrow the gap, and child support makes mothers more likely to be better off. We conclude that the treatment of missing income is more important than the source of income.

## **Conclusions**

Child support is designed to promote nonresident parents' financial responsibility for their children. When nonresident parents are better off than resident parents, it also has the potential to reduce differences in parents' economic status. While resident mothers have historically had lower average incomes than nonresident fathers, policymakers and advocates have increasingly noted the potential for the child support enforcement system to have counterproductive impacts on disadvantaged fathers. On the other hand, disadvantaged fathers often owe support to disadvantaged mothers, making it difficult to design a system that is both equitable and provides adequate support.

This report provides empirical evidence on how often child support increases or reduces inequality and poverty for both custodial and noncustodial parents, after considering other public transfers including W-2 and SNAP benefits that custodial and noncustodial parents might have received and individuals' federal and state tax liabilities. We find that nonresident fathers are, on average, better off than custodial mothers in terms of pre-tax/transfer income. Considering the father's and mother's income within couples, the father's pre-tax/transfer income is more likely to exceed the mother's than the mother's is to exceed the father's. Taxes and transfers reduce

fathers' relative advantage across all measures. The conclusions about child support vary by our treatment of missing income. In our base results, child support payments from fathers to mothers, for many couples, results in mothers being better off than fathers. However, while the data used here have significant advantages over other potential sources of information, they do leave a substantial number of cases with missing income, and the results are sensitive to alternative assumptions about definitions of the sample and income. Our main alternative treatment of missing income shows that child support generally equalizes income, rather than making mothers better off.

Notwithstanding the sensitivity of some results to alternative measures, this analysis highlights a number of key outcomes. Many resident mothers and fathers have very low incomes. For these families, the child support system cannot be the primary solution for the economic difficulties of single-parent families. Even with the most optimistic assumptions about missing data and looking at 2005, when incomes have grown somewhat, poverty rates among custodial mothers prior to child support being paid are still high, 27.8 percent. Child support has limited potential to significantly lessen this rate, as fathers also have high poverty rates based on pre-child support income, 21.8 percent. Moreover, most of the mothers who are poor pre-child support are connected to fathers who are also poor. Alternative sources of income might be needed to improve the economic status of the children.

At the same time, the child support system is remarkably effective in transferring income, thus succeeding in enforcing the financial responsibility of nonresident parents, even when it does not also reduce inequalities between parents. In some cases these transfers are from poor nonresident fathers to non-poor resident mothers. But, by all our measures, child support



transfers reduce poverty rates for resident mother families by more than they increase poverty rates for nonresident fathers.

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Table 1. Mean Income and Distribution of Poverty Status among Couples with a 2000 Order (n=9,803)

	2001		2002		2003		2004		2005	
	Mothers	Fathers	Mothers	Fathers	Mothers	Fathers	Mothers	Fathers	Mothers	Fathers
<b>Mean Income</b>										
Pre-tax/transfer Income	15,713	20,943	15,879	20,968	16,191	21,091	16,691	22,254	17,101	23,326
Post-tax/transfer Income	17,055	17,400	17,388	17,404	17,734	17,666	18,210	18,502	18,518	19,315
Post-child support Income	21,050	13,804	21,394	13,916	21,763	14,251	22,177	15,191	22,557	15,986
<b>Mean Adjusted Income (Income-to-Needs)</b>										
Pre-tax/transfer Income	1.35	2.24	1.33	2.20	1.33	2.16	1.33	2.23	1.32	2.26
Post-tax/transfer Income	1.42	1.85	1.41	1.82	1.41	1.80	1.41	1.84	1.38	1.86
Post-child support Income	1.77	1.47	1.74	1.45	1.74	1.45	1.73	1.51	1.70	1.54
<b>Distribution of poverty status</b>										
<b>Pre-tax/transfer Income</b>										
No income information	11.3	23.4	13.9	27.7	16.1	30.3	17.9	31.7	18.3	31.9
<100% poverty	39.3	19.9	37.5	17.5	35.9	16.3	34.6	15.3	34.7	15.5
100%–200% poverty	31.3	13.9	30.2	13.0	29.6	12.3	27.8	11.7	26.7	11.3
More than 200% poverty	18.2	42.7	18.4	41.9	18.5	41.1	19.7	41.3	20.3	41.4
<b>Post-tax/transfer Income</b>										
No income information	11.3	23.4	13.9	27.7	16.1	30.3	17.9	31.7	18.3	31.9
<100% poverty	26.4	19.1	25.1	16.8	23.7	15.8	22.7	14.8	22.7	14.9
100%–200% poverty	45.7	18.0	43.9	16.7	42.0	15.2	40.0	14.8	39.7	14.3
More than 200% poverty	16.6	39.5	17.2	38.8	18.3	38.8	19.4	38.7	19.3	39.0
<b>Post-child support Income</b>										
No income information	11.3	23.4	13.9	27.7	16.1	30.3	17.9	31.7	18.3	31.9
<100% poverty	19.4	24.1	18.3	21.4	17.2	20.2	16.5	18.8	16.6	18.2
100%–200% poverty	41.1	21.4	39.1	20.0	37.4	18.2	36.0	17.6	35.8	17.1
More than 200% poverty	28.2	31.1	28.8	30.9	29.3	31.3	29.6	32.0	29.3	32.9

Table 2. Comparing Adjusted Incomes within Couples with a 2000 Order (n=9,803)

	2001	2002	2003	2004	2005
<b>Measure 1. Difference in Adjusted Incomes, Groups based on increments of poverty</b>					
<b>Pre-tax/transfer Adjusted Income Difference</b>					
Mother's – Father's >1	15.6	16.3	17.4	17.3	17.5
0.25<Mother's – Father's <= 1	16.1	16.2	15.7	15.1	14.9
Little difference	17.5	18.8	19.4	20.7	20.8
0.25< Father's – Mother's <=1	12.6	10.9	10.5	9.9	9.6
Father's – Mother's > 1	38.3	38.0	37.1	37.1	37.1
<b>Post-tax/transfer Adjusted Income Difference</b>					
Mother's – Fathers >1	19.9	21.5	22.8	23.1	23.3
0.25<Mother's – Father's <= 1	19.1	18.4	17.8	17.1	15.7
Little difference	14.7	15.3	15.9	16.4	17.3
0.25< Father's – Mother's <=1	14.9	13.2	12.1	11.5	11.2
Father's – Mother's > 1	31.4	31.5	31.5	31.9	32.6
<b>Post-child support Adjusted Income Difference</b>					
Mother's – Father's >1	28.8	29.9	31.2	31.0	30.2
0.25<Mother's – Father's <= 1	25.2	24.9	23.3	22.5	22.0
Little difference	16.3	15.3	15.1	15.4	15.6
0.25< Father's – Mother's <=1	14.8	13.7	13.4	12.2	12.6
Father's – Mother's > 1	14.9	16.2	17.1	19.0	19.5
<b>Measure 2. Differences in Adjusted Incomes, Grouped based on the lower-income parent's income</b>					
<b>Pre-tax/transfer Adjusted Income</b>					
Mother's > 2 X Father's	28.3	30.2	31.0	30.6	30.9
0.25 X Father's < Mother's < 2 X Father's	5.9	5.2	5.1	5.0	4.5
Little difference	15.7	16.3	17.3	18.2	18.4
0.25 X Mother's < Father's <2 X Mother's	13.0	11.7	10.3	10.3	10.4
Father's > 2 X Mother's	37.2	36.6	36.4	35.9	35.9
<b>Post-tax/transfer Adjusted Income</b>					
Mother's > 2 X Father's	32.6	35.0	35.7	35.5	35.0
0.25 X Father's < Mother's < 2 X Father's	7.6	6.7	6.4	6.3	6.0
Little difference	15.4	15.5	15.8	16.5	16.8
0.25 X Mother's < Father's <2 X Mother's	16.9	15.2	14.2	13.9	13.9
Father's > 2 X Mother's	27.5	27.6	27.9	27.8	28.3
<b>Post-child support Adjusted Income</b>					
Mother's > 2 X Father's	41.4	44.2	45.7	45.3	44.7
0.25 X Father's < Mother's < 2 X Father's	13.2	11.5	10.2	10.3	9.8
Little difference	18.3	17.2	16.2	15.3	15.9
0.25 X Mother's < Father's <2 X Mother's	14.0	13.7	13.5	13.3	12.8
Father's > 2 X Mother's	13.1	13.4	14.5	15.8	16.9

Table 3. Sensitivity tests: Income-to-Need Ratio Gap between Couples with 2000 Orders

	Base Results (n=9,803)	Couples with Known Income (n=6,408)	UI Earnings Only (n=9,803)	DOR Income Only (n=9,803)
<b>Measure 1. Difference in Income-to-Need Ratio</b>				
<b>Pre-tax/transfer Adjusted Income Difference</b>				
Mother's – Father's >1	17.5	13.55	19.3	19.8
0.25<Mother's – Father's <= 1	14.9	11.36	14.2	13.5
Little difference	20.8	11.62	18.9	20.8
0.25< Father's – Mother's <=1	9.6	13.91	9.6	6.7
Father's – Mother's > 1	37.1	49.57	38.0	39.2
<b>Post-tax/transfer Adjusted Income Difference</b>				
Mother's – Fathers >1	23.3	16.04	24.5	26.1
0.25<Mother's – Father's <= 1	15.7	13.8	15.5	12.9
Little difference	17.3	11.43	15.8	16.8
0.25< Father's – Mother's <=1	11.2	16.34	11.4	8.3
Father's – Mother's > 1	32.6	42.4	32.7	35.9
<b>Post-child support Adjusted Income Difference</b>				
Mother's – Father's >1	30.2	23.95	30.1	30.4
0.25<Mother's – Father's <= 1	22.0	20.14	21.4	18.3
Little difference	15.6	14.44	15.6	15.5
0.25< Father's – Mother's <=1	12.6	17.89	12.7	10.8
Father's – Mother's > 1	19.5	23.58	20.2	25.0
<b>Measure 2. The relative Income-to-Need ratio gap, based on the lower-income person's ratio</b>				
<b>Pre-tax/transfer Income</b>				
Mother's ratio > 2 X Father's ratio	30.9	18.6	35.0	35.3
1 X Father's ratio < Mother's ratio < 2 X Father's ratio	4.5	6.9	3.3	2.0
No difference	18.4	12.1	13.6	17.3
1 X Mother's ratio < Father's ratio < 2 X Mother's ratio	10.4	16.0	9.8	7.2
Father's ratio > 2 X Mother's ratio	35.9	46.5	38.3	38.2
<b>Post-tax/transfer Income</b>				
Mother's ratio > 2 X Father's ratio	35.0	20.0	38.4	39.6
1 X Father's ratio < Mother's ratio < 2 X Father's ratio	6.0	9.2	4.7	3.1
No difference	16.8	15.1	13.8	14.0
1 X Mother's ratio < Father's ratio < 2 X Mother's ratio	13.9	21.3	13.2	10.3
Father's ratio > 2 X Mother's ratio	28.3	34.5	30.0	33.1
<b>Post-child support Income</b>				
Mother's ratio > 2 X Father's ratio	43.5	27.1	44.6	48.6
1 X Father's ratio < Mother's ratio < 2 X Father's ratio	10.1	14.9	8.8	5.1
No difference	16.8	20.7	15.5	12.4
1 X Mother's ratio < Father's ratio < 2 X Mother's ratio	12.8	19.3	12.0	9.9
Father's ratio > 2 X Mother's ratio	16.9	18.0	19.2	24.0