



EMPLOYER GUIDE

Reporting Lump Sum Payments

CALLING ALL EMPLOYERS!

Lump sum payments are considered employee income and thereby are subject to withholding to collect past due child support. Employers that have received an income withholding order that includes an amount for past due support are required to comply with the instructions outlined therein.

Employers play an essential role in helping Virginia's children receive the support they need. Many families who do not receive financial support are often forced to depend on public assistance or live in poverty. By acting in accordance with the lump sum payment reporting laws, you will help children receive the support they deserve. Ultimately, lump sum reporting is an easy, yet vital process, designed to help employers have a positive impact on their communities.

<https://va-newhire.com>

Contact

**Virginia New Hire
Reporting Center**

P.O. Box 3449
Trenton, NJ 08619

Website:

<https://va-newhire.com>

Phone:

(800) 979-9014 Ext. 2

Fax:

(800) 349-9146

Email:

lumpsum@va-newhire.com

Hours of Operation:

Monday through Friday from 8:00 a.m.
to 5:00 p.m. ET

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REPORTING BASICS

What are my responsibilities as an employer / income payer?

As a registered employer (or income payer) with the Commonwealth of Virginia, you are responsible for reporting lump sum payments on behalf of employees to Virginia's New Hire Reporting Center, prior to distribution.

FREQUENTLY ASKED QUESTIONS

Do I need to report upcoming lump sum payments for all employees or only those with a pre-established IV-D case?

Your responsibility to report upcoming lump sum payments is inclusive of all employees and contractors with active garnishments in place.

What constitutes a "Lump Sum Payment?"

"Lump Sum Payment" includes, but is not limited to, discretionary and nondiscretionary bonuses, commissions, performance bonuses, merit increases, safety awards, signing bonuses, moving and relocation incentive payments, holiday pay, termination pay, and severance pay. Lump sum payment also includes workers' compensation, insurance settlements, and personal injury settlements paid as replacement for wages owed. Lump sum payment means income other than a periodic recurring payment of earnings on regular paydays and does not include reimbursement for expenses.

Is there a threshold amount that needs to be met for reporting purposes?

There is no established threshold that needs to be met for reporting purposes, all lump sum payments, regardless of their amounts, are to be reported.

How do I know whether CCPA limitations apply to lump sum payment amounts?

If you received an IWO, refer to the 'Remittance' section for additional information.

State-specific withholding limit information is available at :

www.acf.hhs.gov/css/resource/state-income-withholding-contacts-and-program-requirements

For tribe-specific contacts, payment addresses, and withholding limitations, please contact the tribe at :

www.acf.hhs.gov/sites/default/files/programs/css/tribal_agency_contacts_printable_pdf.pdf; or

www.bia.gov/tribalmap/DataDotGovSamples/tld_map.html.

Do I have any reporting options?

Employees last name and Social Security Number (SSN) can be entered into the system interface via 'Interactive Lookup' or using our Batch Upload process. Match results are instantaneous, so you know, in real time, if there is a match on your employee.

How will I know whether I can release the money?

The Virginia New Hire Reporting Center can let you know in real time whether you can make a lump sum payment to an employee using our Interactive Lookup tool.

If money is owed, will the Commonwealth issue an IWO, an administrative lien, or some other type of legal filing?

If money is owed by an employee for past due support, an IWO will be issued to the employee's employer/income payor as well as to the employee. Employers must comply with the instructions as outlined within this legal document.

Who do I contact if I have questions on the process?

If you have any questions about the process or require any assistance with your Lump Sum Payment Module registration, please contact the Virginia New Hire Reporting Center via email at lumpsum@va-newhire.com or directly by phone at (800) 979-9014 Ext. 2. All inquiries will be returned no later than twenty-four (24) hours after receipt.

EMPLOYER RESOURCES

Please visit our '[Employer Resources](https://va-newhire.com)' section on <https://va-newhire.com> to access additional information for your organization.