

**LATE**

To whom it may concern:

I urge you to make a change and include tips and gratuities when defining income under the Hawaii Employer's Guide Income Withholding for Child Support Obligations. This will alleviate the financial stress and suffering for many custodial parents. A non-custodial parent working as a server or in a tipped position has sizable disposable earnings, and none will be eligible for garnishment. It's disheartening for the custodial parent who's raising the keiki(s) and are not receiving child support payments on a timely basis or if that at all. I've attached a sample of an earning statement.

As you can see, there is clearly disposable income, and none is available for garnishment. The US Department of Labor Wage and Hour Division Fact Sheet #30 makes it difficult for wages to be garnished when dealing with Tips. I was informed by ADP all states follow the CCPA guidelines with exception to Colorado. Just like Colorado, a similar exception or earnings definition for our state would greatly help many struggling families who are not receiving either child or spousal support. I encourage you to please make a difference. I appreciate your time and consideration.

*Colorado Definition on Tips*

<https://www.dshs.wa.gov/sites/default/files/ESA/dcs/documents/coloradoguidelines.pdf>

(B) Wages, including tips declared by the individual for purposes of reporting to the federal internal revenue service or tips imputed to bring the employee's gross earnings to the minimum wage for the number of hours worked, whichever is greater;

Mahalo,  
Sheila Guzman

# Earnings Statement



Period Beginning: 01/21/2018  
 Period Ending: 02/03/2018  
 Pay Date: 02/09/2018

0000000201

Taxable Marital Status: Single  
 Exemptions/Allowances:  
 Federal: 0  
 HI: 0

<u>Earnings</u>	rate	hours	this period	year to date
Regular	10.1000	56.75	573.18	1,708.50
Reported Tips			2,675.90	7,274.77
Svchg Restrnt			261.36	936.57
Holiday Worked				120.73
<b>Gross Pay</b>			<b>\$3,510.44</b>	<b>10,040.57</b>

Your federal taxable wages this period are \$3,510.44

<u>Deductions</u>	Statutory		
Federal Income Tax		-588.71	1,750.92
Social Security Tax		-217.65	622.52
Medicare Tax		-50.90	145.59
HI State Income Tax		-255.10	726.53
<b>Other</b>			
Meals		-32.00	92.80
Reported Tips		-2,675.90	7,274.77
U Dues Ilwu		-5.00	10.00
U Dues Ilwu %		-87.76	251.01
<b>Child Support</b>			49.97
Payable Chg Tip			-7,274.77
<b>Adjustment</b>			
Payable Chg Tip		+2,675.90	
<b>Net Pay</b>		<b>\$2,273.32</b>	
Dirdep Checkng1		-2,273.32	6,391.23
<b>Net Check</b>		<b>\$0.00</b>	

<u>Other Benefits and Information</u>	this period	total to date
Curr Chg Recpts		14,575.42
Curr Chg Tips		2,675.90
Curr Grs Recpts		16,898.00
Qtd Total Hours		184.75
Ytd Chg Recpts		39,857.60
Ytd Grs Recpts		48,150.57

**Important Notes**  
 IF YOU ARE CLAIMING EXEMPT FOR FEDERAL TAXES, YOU MUST SUBMIT A NEW W-4 FORM BY FEBRUARY 13, 2018.

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[Redacted Address]

Advice number: 0000060238  
 Pay date: 02/09/2018

Deposited to the account of	account number	transit ABA	amount
	xxxxx4390	xxxx xxxx	<b>\$2,273.32</b>

THIS IS NOT A CHECK

**NON-NEGOTIABLE**

ADP Notice - Tips and Garnishments

Dear ADP Client:

ADP is providing this communication to inform you that the United States Department of Labor (DOL) has issued guidance regarding the calculation of garnishment amounts under the Consumer Credit Protection Act (CCPA) on tipped employees whose wages are subject to garnishment. This guidance will result in a change to the formula that ADP will utilize for garnishment calculations on your tipped employees with payrolls processed on or about January 1, 2018. The DOL has now clarified as follows:

"For employees who receive tips, the cash wages paid directly by the employer and the amount of the tip credit claimed, if any, by the employer are earnings for the purposes of the wage garnishment law. Tips received in excess of the tip credit amount or in excess of the wages paid directly by the employer (if no tip credit is claimed or allowed) are not earnings for the purposes of the CCPA."

As a result of this guidance, the deduction amount for the following garnishments may change for tipped employees:

Federal Garnishments	Lien Type in the ADP Payroll System
Court Ordered Support	C
Creditor Garnishment	G
Student Loan	S
Tax Levy	L

In addition, all states, with the exception of Colorado, follow federal/CCPA guidelines and state garnishments for the above garnishment deductions may see a change as well. Please note that federal and state bankruptcy garnishments are not impacted.

Sincerely,

ADP