



## ADMINISTRATIVE RULES OF MONTANA



### 37.62.108 INCOME VERIFICATION/DETERMINING ANNUAL INCOME

- (1) A parent must swear to the accuracy and authenticity of all financial information submitted for the purpose of calculating child support.
- (2) Income of the parents must be documented. This may include pay stubs, employer statements, income tax returns, and profit and loss statements. If expenses are disputed, proof may be required.
- (3) To the extent possible, income for child support and expenses should be annualized to avoid the possibility of skewed application of the guidelines based on temporary or seasonal conditions. Income and expenses may be annualized using one of the two following methods:
  - (a) seasonal employment or fluctuating income may be averaged over a period sufficient to accurately reflect the parent's earning ability. If a parent has been self-employed for three years or less, the profit and loss statements and income tax returns of the individual parent and the business entity for each of those years are required so that the average of the parent's self-employment income can be considered in the child support calculation. If the parent has been self-employed for more than three years, a minimum of the most recent three years' profit and loss statements and tax returns are required; or
  - (b) current income or expenses may be projected when a recent increase or decrease in income is expected to continue for the foreseeable future. For example, when a student graduates and obtains permanent employment, income should be projected at the new wage.
- (4) Nothing in this rule shall be construed to require the use of any particular method of determining annual income if it does not accurately reflect a parent's resources available for child support.
- (5) Income for child support may differ from a determination of income for tax purposes.

**Authorizing statute(s):** 40-5-203, MCA

**Implementing statute(s):** 40-5-209, MCA

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**History:** NEW, 1998 MAR p. 2066, Eff. 11/1/98; AMD, 2012 MAR p. 747, Eff. 7/1/12.