

**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL
BY THE COMMISSIONER OF REVENUE**

In the Matter of	)	
	)	
Q.C	)	OAH No. 25-1937-CSS
_____	)	

DECISION AND ORDER

I. Introduction

Q.C, the obligor, appealed an Amended Modified Administrative Child Support Order issued by the Child Support Services Division (Division) on June 16, 2025, that raised his support obligation from \$360 per month to \$2,069 per month. The custodian is D.N and the child subject to the modification is S.C.

Formal telephonic hearings were held on July 15, 2025, and August 18, 2025. Mr. C appeared through his Power of Attorney (POA) and wife, K.C. Mrs. C appeared telephonically, testified on behalf of Mr. C and represented his interests. Ms. D.N did not appear. The Division was represented by Child Support Specialist Shawn Pattison.

Based on the record and after careful consideration, Mr. C’ child support is set at \$1,890 per month for one child, based on primary custody, effective May 1, 2025, and onward.

II. Facts

A. Procedural Facts

The Division issued a Modified Administrative Child Support and Medical Support Order on August 22, 2019, setting support for one child at \$360 per month, based on primary custody.¹ In April 2025 Ms. N made a verbal request for a modification review.² The Division requested and received income information from both parties.³ Based upon the income information, the Division issued a Modified Administrative Child Support Order – Primary Custody on May 13, 2025, setting a monthly support obligation of \$1,584 for one child, effective May 1, 2025.⁴

¹ Div. Ex 1.
² Testimony of Shawn Pattison.
³ Div. Ex. 2; Div. Ex. 3; Div. Ex. 4; and Div. Ex. 5.
⁴ Div. Ex. 6.

On May 13, 2025, the Division issued a Notice of Correction to the Modified Administrative Child Support Order, acknowledging that the order failed to include Mr. C' Veteran's Administration benefits in the support calculation.⁵ Subsequently, the Division issued an Amended Modified Administrative Child Support Order – Primary Custody setting Mr. C' monthly support obligation of \$2,069 for one child, effective May 1, 2025.⁶ Mr. C appealed, asserting that his income and federal withholding deductions were not accurately calculated.⁷

Two days of formal hearings were held before the Office of Administrative Hearings (OAH). Mr. C works on the North Slope and his lack of cell service prohibited him from participating.⁸ Through a POA, his wife K.C participated telephonically and testified on Mr. C' behalf.⁹ Ms. N was contacted for both hearings and ultimately communicated that she did not want to participate.¹⁰ The Division was represented by Shawn Pattison, Child Support Specialist II. Division exhibits 1- 17 were entered into evidence and the record closed on August 22, 2025.¹¹

*B. Material Facts*¹²

Q.C and D.N are the parents of S.C, who is presently 11 years old. S lives with Ms. N in Town A, Alaska.

Mr. C lives with his wife and her child in Anchorage, Alaska. He began working as a seasonal pipeline laborer for Employer A in the third quarter of 2023.¹³ His position with Employer A results in variable income based both upon unpredictable overtime hours and

⁵ Div. Ex. 7.

⁶ Div. Ex. 8.

⁷ Div. Ex. 9.

⁸ Testimony of K.C.

⁹ General POA attached to referral documents submitted to OAH.

¹⁰ A call was made to the number on file for Ms. N at the start of the first hearing. A voicemail was reached that stated two names that were not Ms. N's, and no message was left. A subsequent Order was issued requesting Ms. N to provide a phone number for participation in the next hearing. Ms. N provided a new number; she did not answer two calls made to her during the second hearing. A message was left on her voicemail asking her to contact OAH immediately. She contacted OAH by email after the hearing and notified OAH that she did not wish to participate.

¹¹ The record had originally closed on August 18, 2025, however, the ALJ realized that information about Mr. C' 2025 2nd Quarter earnings and the Division's average wage calculation were missing. An Order re-opening the record was issued on August 20, 2025 and the record was subsequently closed by Order on August 22, 2025.

¹² Material facts are based on the testimony presented at the hearing by Ms. C and Mr. Pattison as well as the submitted written record.

¹³ Div. Ex. 10; *see also* Testimony of K.C.

job availability during the “off” season.¹⁴ In addition to his “normal” variable income, Mr. C also temporarily worked as a foreman during the first quarter of 2025, which added approximately \$20,000 to his normal quarterly wages.¹⁵ Mr. C no longer holds the foreman position nor is there any indication that he will be placed in a foreman position in the foreseeable future.¹⁶

According to the Alaska Labor and Workforce Development (DOL), Mr. C’ employers reported wages to him in the following amounts:¹⁷

Year	Quarter	Wages
2023	3	\$32,505
2023	4	\$33,099
2024	1	\$26,765.69
2024	2	\$24,815.88
2024	3	\$30,552
2024	4	\$25,267.39
2025	1	\$47,098.22
2025	2	\$24,656.66 ¹⁸

Total excluding Quarter 1 of 2025 = \$197,661.62 from wages

Dividing the total wage income by seven (since Quarter 1 of 2025 is excluded) yields an average quarterly income figure of \$28,237.37. Multiplying the quarterly average wage income by four yields an average annual wage income of \$112,949.50.¹⁹ Mr. C served four years in the United States Marine Corps, and he receives \$2,424 monthly, \$29,098.68 annually, in non-taxed military disability benefits.

III. Discussion

Mr. C filed an appeal and requested a formal hearing. The person who filed the appeal has the burden of proving by a preponderance of the evidence that the Division’s

¹⁴ The season technically runs from January through May; however, Mr. C can ask for work during the mid-June through September summer season if it is available – Testimony of K.C.

¹⁵ Div. Ex. 10; *see also* Testimony of K.C.

¹⁶ Div. Ex. 12, pp. 1-5; *see also* Testimony of K.C.

¹⁷ Div. Ex. 10.

¹⁸ Div. Ex. 17, p. 1.

¹⁹ The quarterly wage is multiplied by 4 because there are 4 quarters per year.

support order is based on incorrect information.²⁰ A parent is obligated both by statute and at common law to support his or her children.²¹ Civil Rule 90.3(a)(1) provides that an obligor's child support amount is to be calculated based on his or her total income from all sources.

A. Rule 90.3 Calculation

In its administrative order, the Division calculated Mr. C' child support obligation at \$2,069 per month, based on primary custody.²² The Division calculated the support obligation based upon the last four quarters of Mr. C' earnings, including the first quarter earnings for 2025, resulting in annual wages of \$127,733.49. His wage income was augmented by \$29,098.68 veteran disability benefit payments and \$1,702 PFD payments.²³

Mrs. C provided testimonial and documentary evidence that Mr. C' 2025 first quarter earnings were significantly more than his normal quarterly wages due him holding a temporary foreman position that he was no longer holding.²⁴ The income used by the Division which included the 2025 first quarter wage earnings, is substantially higher than the quarterly wage earnings employers reported over both the prior and subsequent quarters. Civil Rule 90.3 allows the administrative law judge to average an obligor parent's income if the income has been "erratic" in the past.²⁵ Additionally, the child support determinations must be made on the obligor's current income or the best available evidence of what that income is likely to be.²⁶ An average of Mr. C' quarterly wages over the last eight quarters, excluding the first quarter of 2025, due to that quarter's irregular wage earnings, is the best available evidence of what Mr. C' income is likely to be.

Mr. C' monthly support obligation is calculated by taking his gross income of \$143,750.18²⁷ and subtracting total allowable monthly deductions in the amount of \$2,530 as follows: \$1,403.11 for federal income tax, \$722.11 for social security and Medicare,

²⁰ 15 AAC 05.030(h).

²¹ *Matthews v. Matthews*, 739 P.2d 1298, 1299 (Alaska 1987) & AS 25.20.030.

²² Div. Ex. 8.

²³ Div. Ex. 8, pp. 4-6.

²⁴ Div. Ex. 4, pp. 1-25; Div. Ex. 12, Div. Ex. 17; *see also* Testimony of K.C.

²⁵ Civil Rule 90.3, Commentary III E.

²⁶ *Coghill v. Coghill*, 836 P.2d 921, 926 (Alaska 1992) (child support determinations must be made on the obligor's current income or the best available evidence of what that income is likely to be).

²⁷ \$112,949.50 (average wages subject to FICA) + \$29,098.68 (veteran benefit payments) + \$1,702 (PFD payment) = \$143,750.18.

\$383.24 for union dues²⁸ and \$21.54 for unemployment insurance. This results in an adjusted annual income of \$113,390.18.²⁹ From this amount, 20% is marked as available for child support as per Civil Rule 90.3, which is \$22,678.04 annually or \$1,890 monthly. Mr. C met his burden of showing that the support amount calculated under the primary custody formula and applied to the modified child support order was incorrect.

B. Deductions

Mr. C argued that he was not given a proper deduction for his federal income tax withholding because his actual withholding was not applied.³⁰ The amount of taxes withheld by an employer may or may not reflect the obligor's actual tax liability.³¹ The Alaska Supreme Court has found that the tax liability based upon the Internal Revenue Service (IRS) tax rate schedule for an obligor's income level and taxpayer status is the proper basis for determining the amount to be deducted for conducting a child support calculation.³² Because the Division applied the IRS tax rate schedule properly, Mr. C received the correct deduction for his federal income tax withholding.

IV. Conclusion

Mr. C met his burden of proving that the Division's Modified Administrative Child Support Order was based upon incorrect income. His average income for the last eight quarters excluding the first quarter of 2025 resulting in gross wages of \$112,949.50 is a more reliable indicator of Mr. C's annual income. The Division did apply the correct federal withholding deduction. His child support obligation should be set at \$1,890 per month, based on primary custody, effective May 1, 2025, and ongoing.

V. Child Support Order

1. Q.C is liable for child support in the amount of \$1,890 per month for one child effective May 1, 2025, and ongoing.
2. All other terms of the Modified Administrative Child Support and Medical Support Order dated June 16, 2025, remain in full force and effect.

²⁸ Monthly union dues were calculated by using the amount of dues paid to date on Ex. 14, \$4,475 divided by \$109,906.96, (gross wages to date listed in Ex. 14) = 4.1 %. Multiply the annual gross wages of \$112,949.50 wages x 4.1% = \$4,630.93/12 months = \$383.24 per month.

²⁹ Div. Ex. 16.

³⁰ Div. Ex. 9, pp. 1-3; *see also* Testimony of K.C.

³¹ *Bergstrom v. Lindback*, 779 P.2d 1235, 1236 (Alaska 1989).

³² *Id.* at 1236-1237.

Dated: August 19, 2025

Signed

Beth Goldstein
Administrative Law Judge

Adoption

This Order is issued under the authority of AS 43.05.010 and AS 44.17.010. The undersigned, on behalf of the Commissioner of Revenue and in accordance with AS 44.64.060, adopts this Decision and Order as the final administrative determination in this matter.

Under AS 25.27.062 and AS 25.27.250, the obligor's income and property are subject to withholding. Without further notice, a withholding order may be served on any person, political subdivision, department of the State, or other entity.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with AS 25.27.210 within 30 days after the date of this decision.

DATED this 24th day of September, 2025.

By: Signed
Signature
Jenelle L. Earts
Name
Acting Commissioner
Title

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