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## Child Support & Spousal Support

**A comprehensive report on child support & spousal support, prepared for John Smith and Anna Harris by Anna Turney of Ditcher, Quick & Hyde on May 24, 2021.**

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## 1. Overview

Summary of Support



### Spousal Support

With children formula

Spousal support is paid to assist the receiving spouse in dealing with unequal consequences of the breakdown of the relationship.

**\$2,773 to \$3,707** monthly for 16 to 5 years



Low



Mid



High



### Child Support (s. 3)

shared parenting

Section 3 Child support is a monthly amount calculated based on the payor's income. It is paid to assist with the costs of raising children.

**\$1,190** monthly



Guideline

Support



### Child Support (s. 7)

special expenses

Section 7 Child support is paid to assist with certain "special" expenses such as child care, education, and other agreed-upon extraordinary expenses.

**\$629 to \$512** annual expense support



Low



Mid



High



### Total Support

child support + spousal support

Total support includes the combined child support and spousal support payments listed above

**\$3,920 to \$4,844** monthly



Low



Mid



High

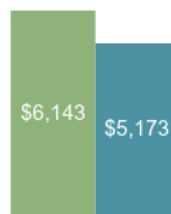


### Monthly Budget

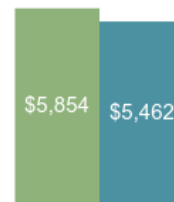
cash flow comparison

The monthly cash flow available to budget with after taxes, support payments and government benefits.

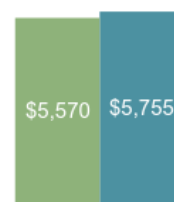
**\$6,143 to \$5,570** monthly



Low



Mid



High



## 2. Spousal Support

Amount & Duration

### Spousal Support Ranges

The charts below show the low, mid and high range of spousal support that Person 2 may have to pay Person 1 according to the Spousal Support Advisory Guidelines, assuming entitlement.



Low-Range



Mid-Range



High-Range

For more information on how spousal support ranges are set, read our [guide to spousal support](#) or review the calculation details below.

### Spousal Support Calculation Details

Calculation details for each of the low, mid and high spousal support scenarios are set out in the table below.

	Low Spousal		Mid Spousal		High Spousal	
	John	Anna	John	Anna	John	Anna
Monthly Guideline Income	\$12,500	\$1,250	\$12,500	\$1,250	\$12,500	\$1,250
Spousal Support	(\$2,773)	\$2,773	(\$3,242)	\$3,243	(\$3,706)	\$3,707
Taxes & Deductions	(\$2,604)	(\$315)	(\$2,435)	(\$454)	(\$2,268)	(\$596)
Benefits & Credits	\$167	\$318	\$174	\$282	\$182	\$257
Net Disposable Income (\$)	\$5,782	\$3,855	\$5,493	\$4,145	\$5,208	\$4,438
Net Disposable Income (%)	60.00%	40.00%	57.00%	43.00%	54.00%	46.00%
Net Support (After Tax)	(\$1,748)	\$2,469	(\$2,049)	\$2,799	(\$2,346)	\$3,121
Lump Sum*	(\$179,641)	\$253,657	(\$210,536)	\$287,587	(\$241,048)	\$320,722

**\*Lump Sum = net present value:** The net present value of spousal support, i.e. lump sum support, is calculated based on an estimated duration of 126 months and applying a 4% discount rate to approximate future inflation. This lump sum calculation assumes the lump sum payment is non-deductible and non-taxable to the payor/recipient, respectively. Note that this calculation assumes support payments, tax rates and government benefits remain constant for the estimated duration of support.

**Spousal Support Ranges:** The ranges for amount and duration are broad, especially where there is a large difference in income, or the relationship is of long duration. When determining the location within the ranges, **the mid-point should not be treated as the default outcome!** Factors including parenting, ability to pay, budgets and other factors should be considered. For a list of factors to consider in determining the location within the range, read our [guide](#).

**The With Children Spousal Support Formula:** Spousal support in range is calculated based on a percentage of individual net disposable income. Support payments in the low scenario will ensure the recipient a minimum of 29% of total disposable income, but may be higher. The high support scenario ensures the recipient receives a minimum of 40% of total net disposable income, and is capped at 50% of disposable income. The mid range scenario calculates support based on the percentage mid-range between the low and high scenarios. For more information, read our [guide](#).

### Spousal Support Duration

The time period for which spousal support is payable is calculated based on the duration of your relationship, your age, and the age of your children (if any).



**5 to 16 years**  
support duration

Minimum duration is the greater of (a) total years of cohabitation (capped at 25) multiplied by 0.5 or (b) the estimated number of years until youngest child starts full time school.

Maximum duration is the greater of (a) total years of cohabitation (capped at 25) multiplied by 1.0; or (b) the estimated number of years till youngest child finishes high school.

The "Rule of 65" applies when the age of the recipient at separation plus the period of cohabitation exceed 65.

Duration may be indefinite (not specified) where the "rule of 65" applies, or where the period of cohabitation exceeds 20 years, or at the court's discretion. Indefinite duration does not mean support continues forever. It means support payments are to be made for an unspecified period subject to future variation or review. The court may grant an indefinite initial order with a suggested minimum and maximum duration based on the ranges calculated above.

Support duration calculation details are in the table below.

Duration of Relationship	10
Age at Separation	39
Years Until Full-Time School	5
Years Until End of School	16
Over 20 Year Relationship	no
Rule of 65	no

Spousal support is reviewable, meaning a court may adjust the amount payable at a later date if necessary due to changed circumstances. Spousal support orders are made for an indefinite or specified time period, subject to review.

Note that re-marriage, changes to employment status and other factors can all affect ongoing entitlement to spousal support.

**Restructuring:** The Spousal Support Advisory Guidelines explicitly recognize that support awards can be "restructured" by increasing or reducing the amount in consideration of extended or shortened duration of support payments. For restructuring options, read our [guide](#).



### 3. Child Support (s. 3)

fixed monthly child support

Section 3 child support is base monthly child support paid to assist with the costs of raising children. Section 3 child support is payable by Person 1 to Person 2 in the monthly base amount shown below.



Guideline Amount

Child Support is calculated before any spousal support, based on the pre-tax income of each party. Child support payments are generally not tax-deductible.

Section 3 child support calculation details are in the table below.

	John Smith	Anna Harris
Employment Income	\$150,000	\$15,000
Line 15000 Income	0	0
Adjustments to Guideline Income	150000	15000
CS Guideline Income	150000	15000
Eligible Children	1	1
Table Child Support (Monthly)	\$1,318	\$128
Net Child Support (Monthly)	(\$1,190)	\$1,190

Section 3 child support is calculated before spousal support, based on the pre-tax income of each party. Child support payments are generally not tax-deductible.

The payor's income may increase or decrease over time. Either party may apply to the court to change the original order or the agreement so that the amount of child support reflects the payor's current income. The payor would make the application if their income has fallen, while the recipient would make the application when the payor's income has increased. To avoid a situation where parents are continually making trips back to court to seek an adjustment of child support, it's a good idea to include a term in the court order or agreement that requires both parents to regularly exchange income information, usually every year after taxes have been filed, so that child support can be adjusted from time to time without having to go to court.



## 4. Child Support (s. 7)

special child-related expenses

### Special Expense Support Ranges

Certain special child-related expenses are shared based on income, after adjusting for spousal support. The charts below show the amount of support payable in relation to special child-related expenses in each spousal support scenario.



Low Spousal



Mid Spousal



High Spousal

For more information on how section 7 expense support is calculated, read our [guide to section 7 expenses](#) or review the calculation details below.

### Special Expense Support Details

Calculation details for section 7 child support (i.e. support for special child-related expenses) are shown in the table below.

	Expenses with Low Spousal		Expenses with Mid Spousal		Expenses with High Spousal	
						
	John	Anna	John	Anna	John	Anna
Total Expenses (Annual)	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800
Expenses Paid (Annual)	\$2,800	\$0	\$2,800	\$0	\$2,800	\$0
Change in Benefits	\$45	\$0	\$45	\$0	\$45	\$0
Change in Taxes	\$1,008	\$0	\$1,008	\$0	\$1,008	\$0
Net Expenses Paid	\$1,747	\$0	\$1,747	\$0	\$1,747	\$0
Guideline Income	\$150,000	\$15,000	\$150,000	\$15,000	\$150,000	\$15,000
Spousal Support (Annual)	(\$33,272)	\$33,272	(\$38,910)	\$38,910	(\$44,478)	\$44,478
Adjusted Income	\$116,728	\$48,272	\$111,090	\$53,910	\$105,522	\$59,478
Share of Expenses (%)	70.70%	29.30%	00.00%	00.00%	64.00%	36.00%
Share of Expenses (\$)	\$1,235	\$512	\$1,176	\$571	\$1,118	\$629
Expense Support (Annual)	\$512	(\$512)	\$571	(\$571)	\$629	(\$629)
Expense Support (Avg. Monthly)	\$43	(\$43)	\$48	(\$48)	\$52	(\$52)

## Special Expense Support Conclusion

Special expenses are to be shared between the parties based on their proportionate incomes, as described below.

- In the **Low Spousal** scenario, adjusting for spousal support, John has **70.7%** of net income and Anna has **29.3%** net income. Each person should pay that percentage of total special expenses, after deducting any tax savings or benefits received in relation to the expense. On that basis, John should pay net expenses of **\$1,235.27** and Anna should pay net expenses of **\$511.93**. Taking into consideration which party paid each expense up front, Anna would pay John section 7 support in the amount of **\$511.93** to account for his or her share of expenses.
- In the **Mid Spousal** scenario, adjusting for spousal support, John has **67.3%** of net income and Anna has **32.7%** net income. Each person should pay that percentage of total special expenses, after deducting any tax savings or benefits received in relation to the expense. On that basis, John should pay net expenses of **\$1,175.87** and Anna should pay net expenses of **\$571.33**. Taking into consideration which party paid each expense up front, Anna would pay John section 7 support in the amount of **\$571.33** to account for his or her share of expenses.
- In the **High Spousal** scenario, adjusting for spousal support, John has **64.0%** of net income and Anna has **36.0%** net income. Each person should pay that percentage of total special expenses, after deducting any tax savings or benefits received in relation to the expense. On that basis, John should pay net expenses of **\$1,118.21** and Anna should pay net expenses of **\$628.99**. Taking into consideration which party paid each expense up front, Anna would pay John section 7 support in the amount of **\$628.99** to account for his or her share of expenses.
- In the **No Spousal** scenario, adjusting for spousal support, John has **90.9%** of net income and Anna has **9.1%** net income. Each person should pay that percentage of total special expenses, after deducting any tax savings or benefits received in relation to the expense. On that basis, John should pay net expenses of **\$1,537.3** and Anna should pay net expenses of **\$153.9**. Taking into consideration which party paid each expense up front, Anna would pay John section 7 support in the amount of **\$153.9** to account for his or her share of expenses.

The above apportionment calculations are based on the guideline income and actual expense payments shown in the calculation details table on the previous page.

## Special Expense Support Explanation

Section 7(1) of the Federal Child Support Guidelines defines "special and/or extraordinary expenses" that are not included in basic section 3 child support. These expenses may include (but are not limited to):

- a. child care expenses incurred as a result of the custodial parent's employment, illness, disability or education or training for employment;
- b. that portion of the medical and dental insurance premiums attributable to the child;
- c. health-related expenses that exceed insurance reimbursement by at least \$100 annually, including orthodontic treatment, professional counselling provided by a psychologist, social worker, psychiatrist or any other person, physiotherapy, occupational therapy, speech therapy and prescription drugs, hearing aids, glasses and contact lenses;
- d. extraordinary expenses for primary or secondary school education or for any other educational programs that meet the child's particular needs;
- e. expenses for post-secondary education; and
- f. extraordinary expenses for extracurricular activities.

Review section 7 of the Guidelines for additional clarifications regarding qualifying expenses.

Under section 7(2) of the Federal Child Support Guidelines, these expenses are shared by both parents in proportion to their incomes. The cost that is shared is the net cost of the expense, after accounting for any tax credits or benefits received in relation to the expense.

The income used to calculate each party's proportionate share of the expense is income net any spousal support actually paid. That is, the payor deducts spousal support payments from their income, and the recipient adds spousal support payments to their income.

***It is crucial that special expenses be apportioned based on the actual amount of spousal support paid, otherwise one party will end up paying more than their share of the expense.***





## 5. Total Support

child support + spousal support

### Total Support Ranges

The charts below show the monthly total child and spousal support payable by to Anna in each spousal support scenario.



Low-Range



Mid-Range



High-Range

A more detailed breakdown of total support payments is shown in the table below.

### Total Support Details

Calculation details for each of the low, mid and high support scenarios are set out in the table below.

	Net Income Low Spousal		Net Income Mid Spousal		Net Income High Spousal	
						
	John	Anna	John	Anna	John	Anna
Monthly Guideline Income	\$12,500	\$1,250	\$12,500	\$1,250	\$12,500	\$1,250
Spousal Support	(\$2,773)	\$2,773	(\$3,242)	\$3,243	(\$3,706)	\$3,707
Child Support (s.3)	(\$1,190)	\$1,190	(\$1,190)	\$1,190	(\$1,190)	\$1,190
Child Support (s.7)	\$43	(\$43)	\$48	(\$48)	\$52	(\$52)
Total Support	(\$3,920)	\$3,920	(\$4,385)	\$4,385	(\$4,844)	\$4,844
Income Net Support	\$8,580	\$5,170	\$8,115	\$5,635	\$7,656	\$6,094

For more information on how to adjust total support to account for special circumstances such as hardship or changes in circumstances, read our [guide to adjusting support obligations](#).

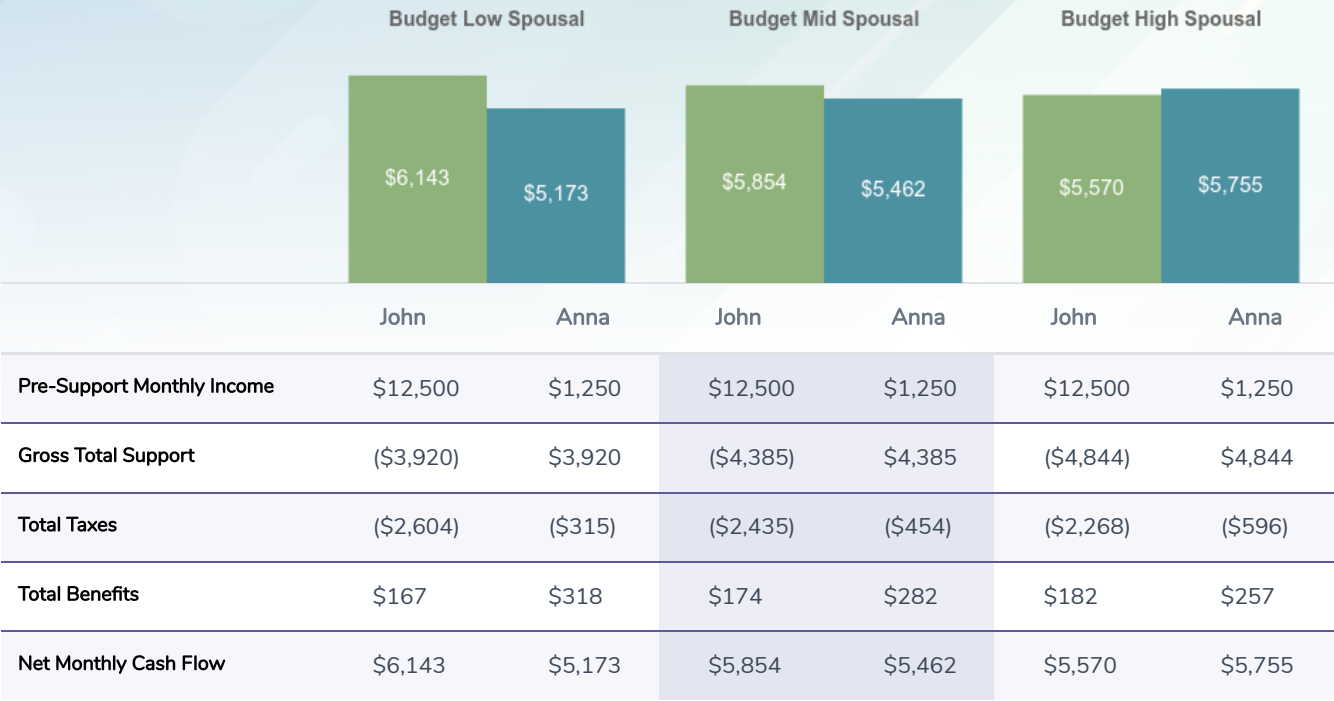


## 6. Monthly Budget

net income comparison

### Monthly Budget Income

The table below compares the net after-tax cash available to each spouse, after accounting for support, taxes, and government benefits.





## 7. Detailed Inputs

basis of support calculation

The tables below set out the information on which this report is based, and with which support is calculated in this report. Changing these inputs will change the support calculation. All inputs should be verified for accuracy.

### Parties

The parties' age, residence and income can affect the net disposable income calculation. The key inputs are shown below.

	John Smith	Anna Harris
Birth Date	1/1/1980	1/1/1982
Residence	Alberta	Alberta
Employment Income	\$150,000	\$15,000
Line 150 Income	\$146,910	\$14,943
Spousal Support Guideline Income	\$150,000	\$150,000
Child Support Guideline Income	\$150,000	\$15,000



### Children

The age, parenting arrangement, and which parent claims each child for tax purposes affects child support and net income calculations.

	Samantha
Birth Date	6/7/2018
Child Of Relationship*	yes
Child is Dependent	yes
Primary Parenting	shared
Claim for Tax Purposes	shared
Support Type	GUIDELINE

*\*Only "children of the relationship" are included in the calculation of child support, however the cost of supporting the child may be deducted from guideline income in certain circumstances. See the adjustments section, above.*

## Tax Profiles

The taxes paid and benefits received by each party will vary depending on the amount of spousal support that is paid. Detailed tax profiles for each party are set out below. The  symbol denotes amounts that have been manually added by the user. The  symbol denotes amounts where the default value has been overridden by the user.

John Smith		Male, 41, Resident Of Alberta		
SSAG Spousal Scenario	Low	Mid	High	
Income				
T4 Employment	\$150,000	\$150,000	\$150,000	
Line 15000 Income	\$150,000	\$150,000	\$150,000	
Tax & Deductions				
Taxes & Deductions (Annual)	\$31,249	\$29,220	\$27,215	
Federal Tax	\$18,143	\$16,677	\$15,229	
Provincial Tax	\$9,050	\$8,487	\$7,930	
CPP & EI	\$4,056	\$4,056	\$4,056	
Taxes & Deductions (Monthly)	\$2,604	\$2,435	\$2,268	
Line 26000 Income	\$113,638	\$108,000	\$102,432	
Federal Tax Deductions				
Child Care Expenses (s. 7)	\$2,800	\$2,800	\$2,800	
Enhanced CPP or QPP	\$291	\$291	\$291	
Provincial Tax Deductions				
Child Care Expenses (s. 7)	\$2,800	\$2,800	\$2,800	
Enhanced CPP or QPP	\$291	\$291	\$291	
Federal Tax Credits				
Basic Personal Amount	\$13,808	\$13,808	\$13,808	
CPP or QPP	\$2,876	\$2,876	\$2,876	
EI Premiums	\$890	\$890	\$890	
Canada Employment	\$1,257	\$1,257	\$1,257	
Climate Action Incentive	\$0	\$0	\$0	
Provincial Tax Credits				
Basic Personal Amount	\$19,369	\$19,369	\$19,369	
CPP or QPP	\$2,876	\$2,876	\$2,876	
EI Premiums	\$890	\$890	\$890	
Federal Benefits				
Canada Child Benefit	\$2,001	\$2,091	\$2,180	
Total Federal Benefits	\$2,001	\$2,091	\$2,180	
Provincial Benefits				
	N/A			
Total Provincial Benefits	\$0	\$0	\$0	

Anna Harris		Female, 39, Resident Of Alberta		
SSAG Spousal Scenario	Low	Mid	High	
Income				
T4 Employment	\$15,000	\$15,000	\$15,000	
Line 15000 Income	\$15,000	\$15,000	\$15,000	
Tax & Deductions				
Taxes & Deductions (Annual)	\$3,776	\$5,451	\$7,150	
Federal Tax	\$2,045	\$3,157	\$4,298	
Provincial Tax	\$867	\$1,431	\$1,988	
CPP & EI	\$864	\$864	\$864	
Taxes & Deductions (Monthly)	\$315	\$454	\$596	
Line 26000 Income	\$48,215	\$53,853	\$59,421	
Federal Tax Deductions				
Enhanced CPP or QPP	\$58	\$58	\$58	
Provincial Tax Deductions				
Enhanced CPP or QPP	\$58	\$58	\$58	
Federal Tax Credits				
Basic Personal Amount	\$13,808	\$13,808	\$13,808	
Eligible Dependant	\$13,808	\$13,808	\$13,808	
CPP or QPP	\$569	\$569	\$569	
EI Premiums	\$237	\$237	\$237	
Canada Employment	\$1,257	\$1,257	\$1,257	
Canada Workers Benefit	\$0	\$0	\$0	
Climate Action Incentive	\$0	\$0	\$0	
Provincial Tax Credits				
Basic Personal Amount	\$19,369	\$19,369	\$19,369	
Eligible Dependant	\$19,369	\$19,369	\$19,369	
CPP or QPP	\$569	\$569	\$569	
EI Premiums	\$237	\$237	\$237	
Federal Benefits				
Canada Child Benefit	\$3,450	\$3,253	\$3,058	
GST/HST Credit	\$144	\$3	\$0	
Total Federal Benefits	\$3,594	\$3,256	\$3,058	
Provincial Benefits				
Alberta Child & Family Benefit	\$218	\$122	\$27	
Total Provincial Benefits	\$0	\$0	\$0	



## 8. Help & Additional Information

further reading & resources

This support report was created using the Divorcepath support calculator. Please visit Divorcepath online at <https://www.divorcepath.com> to learn more, or to perform your own support calculations.

This calculation is only as reliable as the inputs provided by the user: if income, expenses, or benefits are different than set out in the "Detailed Inputs" section of this report, the amount of support should be recalculated to reflect reality.

Tax and benefit calculations are calculated for the 2020 tax year, based on inputs provided by the user as set out in this report. Calculations are current based on the laws and regulations in force as of the date the report was calculated. Note that actual taxes and benefits may vary based on interpretations and calculations performed by the Canada Revenue Agency or relevant provincial or territorial authorities. Divorcepath is a private company, not a government agency and does not collect taxes or administer benefits. Please review the disclaimer and waiver at the end of this report.

Spousal support is calculated based on the Spousal Support Advisory Guidelines (SSAGs). For more information on how to reliably & accurately calculate spousal support using Divorcepath, we recommend the following resources:

- **Spousal Support Calculator Quickstart:** Get started with the Divorcepath Spousal Support Calculator and learn how to generate courtroom-ready child support reports in minutes.
- **How to Calculate Spousal Support:** Learn how to calculate spousal support with children, or without children. Simple step-by-step guide, updated for 2020.
- **Guide to Spousal Support in Canada:** Learn how to claim, defend, increase or reduce spousal support in Canada. Our plain-language guide, updated for 2020.
- **Federal Spousal Support Advisory Guidelines:** the Government of Canada's website for the Spousal Support Advisory Guidelines.

Child support is calculated based on the Federal Child Support Guidelines. For more information on how to reliably & accurately calculate child support using Divorcepath, we recommend the following resources:

- **Child Support Calculator Quickstart:** Get started with the Divorcepath Child Support Calculator and learn how to generate courtroom-ready child support reports in minutes.
- **How to Calculate Child Support:** Learn how to calculate child support for sole, shared, and split custody arrangements. Simple step-by-step guide, updated for 2020.
- **Guide to Child Support in Canada:** Learn how to claim, defend, increase or reduce child support in Canada. Our plain-language guide, updated for 2020.
- **Federal Child Support Guidelines:** the Government of Canada's website for the Child Support Guidelines.

If you have questions or concerns regarding this support calculation, please contact us at [hello@divorcepath.com](mailto:hello@divorcepath.com) or using the online chat feature available at <https://www.divorcepath.com>

Information for Courts: this report is prepared using the professional support calculator developed by Divorcepath Corp., a Canadian family law software company. Divorcepath is committed to addressing the access to justice challenge by providing family law tools with a high level of reliability and accessibility. Our calculators are designed to ensure "accuracy through design" by guiding users through the process of calculating support in accordance with applicable law. We offer free access and training to court users. Please visit <https://www.divorcepath.com/courts> for more information.

Information for Family Law Professionals: we offer family law professionals a suite of professional support calculation and client management tools. Try Divorcepath Pro Tools free for 6-months. Please visit <https://www.divorcepath.com/pro-tools> for more information.

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