

## SUMMARY STATEMENT

*Valentine v. Valentine*

Docket No. 48254

This appeal arose out of a divorce between Mandy Valentine (“Mandy”) and Dan Valentine (“Dan”) and concerned the calculation of parental income pursuant to the Idaho Child Support Guidelines (“the Guidelines”) and determination of the parties’ respective shares of childcare costs. In 2017, following a petition by Mandy, the magistrate court modified the child support order in the parties’ divorce decree, concluding that the parties’ respective incomes had increased since the divorce. In calculating Mandy’s income under the Guidelines, the magistrate court included the full amount of her student loans. In calculating the total childcare costs to be split between the parties, the magistrate court took into account the amount of benefits Mandy received through the Idaho Child Care Program (“ICCP”). Mandy appealed to the district court, contending that her student loans were improperly included as part of her income and that her ICCP benefits should not have been used to reduce Dan’s share of childcare expenses.

The district court affirmed in part and reversed in part. Although the district court found that the magistrate court abused its discretion in failing to find that Mandy was voluntarily underemployed before considering her student loans as income, it concluded such error was harmless because the Guidelines allowed student loans to be added to other sources of income when calculating parental income. The district court also concluded that the magistrate court abused its discretion in considering Mandy’s ICCP benefits when calculating Dan’s share of childcare costs because it lacked the authority to award a portion of those benefits to Dan. Mandy appealed to this court, arguing that the district court erroneously determined that the Guidelines allow student loans to be considered with other sources of income. Dan cross-appealed, arguing that the district court incorrectly concluded that Mandy’s ICCP benefits did not reduce the amount of childcare expenses to be split by the parties.

The Idaho Supreme Court reversed the district court’s decision and remanded the matter for further proceedings. The Court held that under the Guidelines, student loans are considered potential gross income. If a parent is unemployed or underemployed, the Guidelines allow both gross income and potential income sources to be added together when computing a parent’s income for child support purposes. The magistrate court must first determine a parent is unemployed or underemployed before including potential income sources in the income calculation. The magistrate court must then make a discretionary determination concerning the amount of potential income to impute to the parent. The Court held that the district court erred when it determined the magistrate court’s error was harmless because the magistrate court failed to make a discretionary determination concerning the appropriate amount of student loans, if any, to attribute to Mandy. Finally, the Court held that the district court erred in concluding that the magistrate court could not include Mandy’s ICCP benefits in the total amount of childcare expenses to be split between the parties.

\*\*\*This summary constitutes no part of the opinion of the Court, but has been prepared by court staff for the convenience of the public.\*\*\*