

LUMP SUM PAYMENT MODULE



EMPLOYER GUIDE

Reporting Lump Sum Payments



Mississippi State Directory of New Hires

Calling All Employers!

Pursuant to [Miss. Code Ann. § 93-11-103](#), lump sum payments are considered employee income and thereby are subject to withholding to collect past due child support. Employers that have received a child support order that includes an amount for past due support are required to comply with the instructions outlined therein.

Employers play an essential role in helping Mississippi's children receive the support they need. Many families who do not receive financial support are often forced to depend on public assistance or live in poverty. By acting in accordance with lump sum payment reporting practices, you will help children receive the support they deserve. Ultimately, lump sum reporting is an easy, yet vital process, designed to help employers have a positive impact on their communities.

<https://ms-newhire.com>

Contact

**Mississippi State
Directory of New Hires,
Lump Sum Payment
Department**

P.O. Box 437
Norwell, MA 02061

Website:

<https://ms-newhire.com>

Phone:

(800) 241-1330 Ext. 2

Fax:

(800) 506-9540

Email:

lumpsum@ms-newhire.com

Hours of Operation:

Monday through Friday from
8:00 a.m. to 5:00 p.m. CT

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EMPLOYER GUIDE

Reporting Lump Sum Payments

REPORTING BASICS

What are my responsibilities as an employer / income payer?

As a registered employer (or income payer) with the State of Mississippi, you are responsible for reporting lump sum payments on behalf of employees to the Mississippi Department of Human Services c/o the Mississippi State Directory of New Hires, Lump Sum Payment Department, prior to distribution.

FREQUENTLY ASKED QUESTIONS

Do I need to report upcoming lump sum payments for all employees or only those with a pre-established IV-D case?

Your responsibility to report upcoming lump sum payments is inclusive of all employees and contractors, regardless of IV-D case status.

What constitutes a "Lump Sum Payment?"

[Miss. Code Ann. § 93-11-101](#) defines "Lump Sum Payment" as follows: any form of income paid to an individual at other than regular intervals or a payment made upon a particular occasion regardless of frequency that is dependent upon meeting a condition precedent, including, but not limited to, the performance of a contract, commission paid outside of and in addition to a person's regular pay cycle, the satisfaction of a job performance standard or quota, the receipt of a seasonal or occasional bonus or incentive payment, the liquidation of unused sick or vacation pay or leave, the settlement of a claim, an amount paid as severance pay, or an award for length of service.

Is there a threshold amount that needs to be met for reporting purposes?

All lump sum payments meeting or exceeding the established threshold of \$500 are to be reported.

How do I know whether CCPA limitations apply to lump sum payment amounts?

MDHS is not entitled to the entirety of the lump sum payment. The Consumer Credit Protection Act (CCPA) places limits on the percentage withheld from an employee's lump sum. If you received a "Notice of Lien," the maximum amount allowed will be listed on page 2 under "REMITTANCE INFORMATION." If this individual has not been or is no longer employed by you, please advise us immediately.

Do I have any reporting options?

Employees last name and Social Security Number (SSN) can be entered into the system interface via "Interactive Lookup" or using our Batch Upload process. Match results are instantaneous, so you know, in real time, if there is a match on your employee.

How will I know whether I can release the money?

The Mississippi State Directory of New Hires, Lump Sum Payment Department, can let you know in real time whether you can make a lump sum payment to an employee using our Interactive Lookup tool.

If money is owed, will the State issue an IWO, an administrative lien, or some other type of legal filing?

If money is owed by an employee for past due support, a Notice of Lien will be issued to the employee's employer/income payor. Employers must comply with the instructions outlined within this legal document.

Who do I contact if I have questions on the process?

If you have any questions about the process or require any assistance with your Lump Sum Payment Module registration, please contact the Mississippi State Directory of New Hires, Lump Sum Payment Department, via email at lumpsum@ms-newhire.com or directly by phone at (800) 241-1330 Ext. 2. All inquiries will be returned no later than twenty-four (24) hours after receipt.

EMPLOYER RESOURCES

Please visit our "[Employer Resources](#)" section on <https://ms-newhire.com> to access additional information for your organization.