



**SUPPORT
PAYMENTS
SOURCE
DEDUCTIONS**

revenuquebec.ca

**REVENU
QUÉBEC**



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**THE SUPPORT-
PAYMENT
COLLECTION
PROGRAM IS JUST
ONE OF THE WAYS
WE CONTRIBUTE TO
THE WELL-BEING
OF THOUSANDS
OF CHILDREN AND
FAMILIES.**

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INTRODUCTION

Pursuant to the *Act to facilitate the payment of support*, Revenu Québec is responsible for collecting support from the person by whom it is owed (the debtor of support, hereinafter the “debtor”) and paying it to the person to whom it is owed (the creditor of support).

The support-payment collection program applies to all judgments that award support.

You may be affected by the support-payment collection program if, as an employer, an insurer, a fund manager or a public body, you pay an amount to the debtor periodically. We may ask you to deduct amounts of support from that amount.

You are among the 18,200 persons or organizations that participate in the support-payment collection program. Your cooperation is vital to ensure that children and custodial parents receive regular payments of the support to which they are entitled.

This brochure contains most of the information you need if you are required to deduct amounts of support from the amounts you pay to a debtor.



MAIN CHARACTERISTICS OF THE PROGRAM

Source deductions

If you pay an amount to a debtor periodically, you may be required to deduct support from that amount at source. The source deduction can be made on

- salaries, wages or other remuneration, including vacation pay;
- professional fees and advances on remuneration, fees or profits;
- benefits granted under a pension plan or an indemnity plan;
- disability benefits paid under an accident and sickness insurance contract;
- amounts paid under a profit-sharing plan;
- retiring allowances, also known as “severance pay.”



Deduction notice

If we know that you pay an amount to the debtor periodically, we will contact you to obtain the information that will allow us to calculate the amounts of support you must deduct at source. You will then receive a deduction notice specifying the amounts of support to deduct and how to remit them to us.

Once the deduction notice comes into force, you must deduct the amounts specified on the deduction notice, on the dates and at the frequency indicated, for as long as you pay amounts to the debtor periodically.

If you cease to pay amounts to the debtor and can no longer respect the terms and conditions specified in the deduction notice, you must notify us immediately. This applies to all situations, regardless of whether the cessation of remittances concerns one or more periods or whether it is final (for example, when there is a termination of employment or an end to the payment of benefits).

Changes to the deduction notice

Note that only we can send you new deduction notices. You will receive such notices a few weeks before the annual¹ January 1 indexation of support payments. You will then have to modify the amount you deduct starting on the new date indicated on the notice.

You will also receive a new deduction notice

- when the court has increased or decreased the amount of support payments; and
- when, for various reasons, we must collect arrears in support payments.

1. In accordance with the *Civil Code of Québec*, support payments are automatically indexed on January 1. However, a judgment establishing support may specify a different indexation date.



Termination of your obligation to deduct support

The deduction notice is no longer valid when you cease to pay an amount to the debtor periodically, for example, when there is a termination of employment. **If such a situation occurs, you must notify us immediately.**

In certain situations, we may also ask you to cease to make source deductions. You will then be issued a release, which is a document that puts an end to the effects of the deduction notice. When you receive the release, you will be discharged of your obligations in respect of source deductions.

Calculation of the amounts to be deducted

The amount of support to be withheld **must not exceed 50%** of the gross amount paid periodically to the debtor. The gross amount is the amount before any non-support source deductions are applied.

Example

We ask that you withhold \$375 from the debtor's salary. However, since the debtor's gross salary is \$700, you must withhold only \$350, that is, 50% of the salary.



Furthermore, you must calculate all non-support source deductions to be subtracted from the amount that you pay periodically to the debtor based on the gross amount, that is, the amount before you deduct support payments. Non-support source deductions can be federal and Québec income tax, Québec Pension Plan contributions, Québec parental insurance plan premiums, employment insurance premiums and union dues.

Example

You pay a gross remuneration of \$700 to an employee. Based on this remuneration, the non-support source deductions total \$150. We ask that you withhold support payments of \$350. You will therefore pay your employee a net remuneration of \$200.

When to remit source deductions of support

The following rules determine how often you are required to remit to us the amounts of support deducted at source:

- If you remit your non-support source deductions on a weekly or twice-monthly basis, you must remit the support payments on the same basis.
- In all other cases, you must remit amounts of support no later than the 15th day of the month following the month during which you deducted the support.

The frequency of your remittances of amounts of support is also indicated on the deduction notice you received from Revenu Québec.

If you cease to operate your business, you must make your remittance of the amounts deducted at source no later than the 7th day following the date on which your business closes.



How to remit source deductions of support

You can remit to us the amounts of support deducted at source in two ways:

Electronically

- Use the payment service offered by your financial institution. This option offers significant advantages. Contact your financial institution to find out if it offers a payment service for source deductions of support payments.
- Use our ClicRevenu online service. For more information, visit our website.





By cheque or money order made out to the Fonds des pensions alimentaires (non-support deductions must be remitted on a separate cheque or money order). You must enclose with your cheque or money order the remittance slips you received. However, if you must make source deductions of support for several debtors, you may use a list instead of remittance slips to remit the amounts deducted.

If you use

- remittance slips,
 - use different slips for each debtor who must pay support;
 - use different slips if the same debtor is required to make payments for more than one support-payment file;
 - send your remittance slips with your cheque or money order by mail or present them in person at one of our offices or at your financial institution.
- a list,
 - enter the same information indicated on the remittance slips;
 - indicate the information pertaining to each debtor separately;
 - if the same debtor is required to make payments for more than one support-payment file, repeat the information entered on the remittance slips as many times as there are separate files for the debtor;
 - send your list with your cheque or money order by mail or present it in person at one of our offices. It should be noted that if you use a list, you cannot send cheques or money orders to your financial institution.

Before using a list, contact us **by fax** at one of the following numbers:

Québec City

418 577-5083 or, toll-free, 1 877 577-5083

Montréal

514 285-3965 or, toll-free, 1 888 543-8488



We will provide you with a sample list and with information concerning the debtors for which you are required to send us amounts of support deducted at source.

You can make a single payment for all the amounts of support withheld provided you enclose the duly completed remittance slips or a carefully compiled list.

You must send your cheques or money orders, accompanied by either the corresponding remittance slips or debtor list, to one of the following addresses:

Fonds des pensions alimentaires
Revenu Québec
C. P. 25400, succursale Terminus
Québec (Québec) G1A 0A8

Fonds des pensions alimentaires
Revenu Québec
C. P. 8000, succursale Place-Desjardins
Montréal (Québec) H5B 0A7



Refunds of excess amounts remitted to Revenu Québec

If you deduct an excess amount and remit it to us, you cannot take for granted that the excess amount can be applied against a future support-payment remittance. Instead, you must notify us, and we will see that the amount is refunded.

Example

You **over-deducted** \$150 from your employee's remuneration and remitted it to us. **You must not subtract this amount** from your next support-payment remittance. We will refund the excess amount to the employee.

If you remit to us an excess amount that was not deducted from the amount you periodically pay to the debtor, you must notify us. In this case, we will refund the excess amount to you, after making the necessary verifications.

Example

You **over-remitted** \$100 to us. **You must not subtract this amount** from your next support-payment remittance. We will refund the excess amount to you.



WHAT TO DO WHEN YOU RECEIVE A NOTICE OF DEDUCTION

When should you contact us?

You must contact us immediately if any of the following situations occurs:

- You cease to periodically pay the debtor the amount from which you make the source deduction.
- The amounts you deduct are already subject to garnishment.
- After having received a deduction notice respecting a debtor, you are informed that the amounts you pay us have become subject to garnishment.
- The frequency of payments you make to the debtor changes.
- The amount of support payment specified on the deduction notice is greater than 50% of the gross amount you pay periodically to the debtor.
- You remit an excess amount to us.
- The legal form of your entity is modified after the deduction notice is issued (for example, your business is sold or incorporated, or it merges with another business).
- Your business closes.
- Your Québec enterprise number (NEQ), or any other number used by Revenu Québec to identify you, is changed.
- Your business name or address changes.
- Your business has a new contact person.
- You receive a notice from a trustee in bankruptcy requiring you to cease all deductions from the amount you pay periodically to the debtor.
- You change your way of making your remittances and are no longer using remittance slips.



Your obligations in respect of a notice of deduction

When you receive a deduction notice, you have certain obligations to meet. You must deduct the amount indicated on the notice and remit it to us on the prescribed dates and according to the prescribed terms and conditions.

If you fail or refuse to deduct the amount specified on the deduction notice, you become jointly liable with the debtor for the amount.

If you fail or refuse to remit to us the amounts you deducted at source, you become the debtor in respect of those amounts.

In all these cases, we may undertake collection measures against you, as provided for by the Act, in order to recover the amounts owed.

Furthermore, if so requested, you must provide us with any information regarding a debtor so that we may determine the amount of the source deduction.

Confidentiality

Any information obtained under the *Act to facilitate the payment of support* is confidential. You may not use the information for any purpose not provided for in the Act. You may not communicate confidential information (or allow it to be communicated) to persons not legally entitled to obtain it, nor may you allow such persons to examine or access documents containing confidential information.



Fines and fees

Fines provided for under the Act

You are liable to a fine ranging from \$800 to \$10,000 if

- you fail to deduct or remit the amount as specified on the notice;
- you fail to provide information about the amount you pay periodically to a debtor where such information is necessary to determine the portion of the payment subject to source deductions, or you provide information that is inaccurate;
- you fail to notify us where the amount on which you are making source deductions of support ceases to be paid periodically to the debtor;
- you hinder an auditor in the performance of his or her duties;
- you fail to provide any information or document requested by the Minister for the purpose of collecting an amount owed;
- you communicate confidential information (or allow it to be communicated) to persons not legally entitled to obtain it, or you allow such persons to examine or access documents containing confidential information.



Fees prescribed in the regulation

Fees will be imposed in the following circumstances:

- You receive a demand for payment pursuant to the Act and you do not remit the amount owed within the prescribed period.
- A writ of seizure in execution is issued against you for the first time, further to a demand for payment.
- A bill of exchange (such as a cheque) that is remitted to us is refused for insufficient funds by the financial institution on which it is drawn.

Fees are payable for each file in respect of which you commit an offence. They bear interest at the legal rate and are subject to change.



ANSWERS TO YOUR QUESTIONS

Am I required to make source deductions for debtors employed by me who work part-time, on contract for limited periods or on call?

Yes. You must make source deductions each time remuneration is paid.

Are reimbursements of employee expenses subject to source deductions of support?

No. This type of reimbursement is not subject to source deductions.

Am I required to make source deductions on tips received by an employee?

No. The deduction notice applies only to amounts that you pay periodically to an employee. As a rule, tips are given by customers. Even when tips are collected by employers (for example, when customers pay their bill and the tip using a credit card), the tips are not subject to the deduction notice.

How should I proceed when a debtor has more than one support-payment file?

You must make more than one source deduction for this debtor. Each support-payment file is assigned a specific number. To remit to us the amounts deducted, use separate slips for each support-payment file. If you use a list, you must enter the information for each support-payment file separately.



If processing source deductions of support payments results in additional costs, can I charge them to the debtor?

No. You are not allowed to charge fees to debtors for the amounts of support you deduct.

Do source deductions of support have an impact on the debtor's credit file?

No. Source deductions of support have no impact on the debtor's credit file.

May I provide you with the identification numbers that I have assigned to debtors subject to source deductions of support?

Yes. We will display the numbers in some of the correspondence we will send you concerning the source deductions to be made on the amounts you pay periodically to the debtors.

The payroll service I deal with failed to comply with the deduction notice. Who will be held responsible?

Even if you entrust the processing of your payroll to a business, you are still liable for any failure to comply with the deduction notice. You are responsible for putting the deduction notice you received into effect and for forwarding it to your accountant or to your payroll service.

TO CONTACT US

SUPPORT-PAYMENT COLLECTION PROGRAM

Online

www.revenuquebec.ca

By telephone

Monday through Friday: 8:30 a.m. to 4:30 p.m.

| | |
|---------------------|-----------------------------------|
| Québec City | Elsewhere |
| 418 652-4413 | 1 800 488-2323 (toll-free) |

Persons with a hearing impairment

| | |
|---------------------|-----------------------------------|
| Montréal | Elsewhere |
| 514 873-4455 | 1 800 361-3795 (toll-free) |

By mail

Québec City office

Revenu Québec
3800, rue de Marly, secteur 1-1-1
Québec (Québec) G1X 4A5

Montréal office

Revenu Québec
577, boulevard Henri-Bourassa Est
Montréal (Québec) H2C 1E2

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Cette publication est également disponible en français et s'intitule *Le versement des pensions alimentaires – La retenue à la source* (IN-902).