

Kim Kardashian and Kanye West settlement: is \$200,000 a Month in Child Support Reasonable?

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By Emily Ingall

Child support is an obligation established by the Court to ensure that both parents, regardless of their relationship with each other, financially support their children to the best of their ability. Alternatively, as did Kim and Ye, the parties are permitted to agree to a number so long as it comports with the State specific guidelines. Depending on the State in which the children reside, the Court will use State specific guidelines and formulas to calculate a parent's basic child support obligation. While the guidelines provide a presumptive amount of child support for parties with a combined net income that falls within the guidelines, most States provide exceptions for parents with extreme income (high or low). High net worth child support cases are more complicated and involve consideration of all expenses of the child(ren) in light of the parents' extreme income (i.e., high incomes exceeding the guidelines).

In New Jersey, the parties' respective incomes are subject to a formulaic calculation and consideration of the factors set forth in N.J.S.A. 2A:34-23(a). The New Jersey Rules of Court Appendix IX-A, Considerations in the Use of Child Support Guidelines defines extreme parental income as a combined after-tax income in excess of \$187,200 annually. In such circumstances, the Court is obligated to supplement the basic child support amount after consideration of the aforementioned factors.

In New York, the parties' respective incomes are subject to a formulaic calculation pursuant to the Child Support Standards Act [DRL §240, FCA §413] to determine the presumptively correct child support obligation. The C.S.S.A. applies up to the applicable combined income cap. Effective March 1, 2022, the income cap for child support calculations was set at a combined income of \$163,000 (not adjusted for Federal or State income taxes). This income cap is subject to an adjustment every two years. In New York, the Court may choose to apply the formulaic percentage to the income in excess of the cap, or it may choose to specifically supplement support based upon the above-capped income pursuant to the enumerated factors.

While there is no way to know whether or not the agreed-upon monthly child support in the Kardashian matter is reasonable, in New Jersey, the Court would engage in a fact-intensive analysis of the children's needs and lifestyle to supplement the basic child support. That is, "where the parties have the financial wherewithal to provide for their children, the children are entitled to the benefit of financial advantages available to them." *Isaacson v. Isaacson*, 348 N.J.Super. 560, 579 (App.Div. 2008). In fact, "children are entitled to not only bare necessities, but a supporting parent has the obligation to share with his children the benefit of his financial achievement." *Id.* at 580. However, as the Court held in *Isaacson*, "no child, no matter how wealthy the parents, needs to be provided [with] more than three ponies." *Id.* at 584.

Calculating and determining a child support obligation can be a complicated process with long-term consequences, affecting your finances for years to come. Our firm is well-equipped to handle all divorce and family law matters, no matter your circumstances.

You can contact Emily to discuss your child support matter in New York or New Jersey by email at Emily.Ingall@offitkurman.com or by phone at 929-476-0046.