

ALIMONY GUIDELINE SUMMARY

draft rev. 11/15/12

The Family Division Oversight Committee appointed a sub-committee to consider whether specific guidelines would be useful to provide a framework for consistency in court orders with respect to alimony (a/k/a spousal support or spousal maintenance) awards.

THESE GUIDELINES HAVE NO APPROVAL OR AUTHORITY FROM THE OVERSIGHT COMMITTEE AT THIS TIME AND SHOULD NOT BE CITED OR RELIED UPON.

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These guidelines focus on two main variables: (1) the length of the marriage and (2) the relative incomes of the parties. The guidelines are an attempt to put those variables into a grid that suggests a predictable range of outcomes. The guidelines assume that the threshold legal determination of a need for alimony has been (or will be) made.

<u>Length of marriage</u>	<u>% of the difference between parties' gross incomes</u>	<u>Duration of alimony award as % of length of marriage</u>
0 to >5 year	0-20%	Presumption of no alimony or short-term (up to one yr.)
5 to >10 years	20-35%	20 - 50% (1- 5 yrs.)
10 to >15 year	25-40%	40 - 60% (3 - 9 yrs.)
15 to >20 year	30-45%	45 - 70% (6.75 - 14 yrs.)
20+	35 - 50%	55% to permanent (11 years - ???)

Notes:

1. Duration would be affected by length of marriage within the designated range and the discrepancy in incomes of the parties, as well as the ages of the parties at time of divorce. The younger the parties (or the recipient), the closer to the lower end of the range.
2. Guidelines assume an approximately an equal division of the marital estate. An award of property in lieu of maintenance or sufficient property to generate income would lead to lower amount of alimony (or no alimony) and/or for shorter duration.

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3. Child support may increase recipient's net income – these guidelines do not address child support.
4. The statutory factors, including threshold determination, would still apply. See 15 VSA §752:

- (1) The financial resources of the party seeking maintenance, the property apportioned to the party, the party's ability to meet his or her needs independently, and the extent to which a provision for support of a child living with the party contains a sum for that party as custodian;
- (2) The time and expense necessary to acquire sufficient education or training to enable the party seeking maintenance to find appropriate employment;
- (3) The standard of living established during the civil marriage;
- (4) The duration of the civil marriage;
- (5) The age and the physical and emotional condition of each spouse;
- (6) The ability of the spouse from whom maintenance is sought to meet his or her reasonable needs while meeting those of the spouse seeking maintenance; and
- (7) Inflation with relation to the cost of living. (Amended 1981, No. 247 (Adj. Sess.), § 7; 2009, No. 3, § 12a, eff. Sept. 1, 2009.)

Illustrations of Guidelines:

Example 1:

Party A: \$100,000

Party B: \$25,000

Marriage: less than 5 years (0 to 20%)

Difference in income: \$75,000

Maximum alimony: 20% of \$75,000 = \$15,000 paid (in addition to B's earned income of \$25,000):

A's net (earned - alimony) income: \$85,000; B's net (alimony + earned) income: \$40,000

Maximum duration: 1 year.

Minimum: zero alimony

Example 2:

Party A \$100,000

Party B: \$ 25,000

Marriage: 5 to less than 10 years (20 to 35%)

Difference in income: \$75,000

Maximum alimony: 35% of \$75,000 = \$26,250

A's net income: \$73,750; B's net income: \$ 51,250

Maximum duration: 5 years

Minimum alimony: 20% of \$75,000 = \$15,000

A's net income: \$85,000; B's net income: \$40,000

Minimum duration: 1 year

Example 3:

Party A: \$100,000

Party B: \$12,000

Marriage less than 5 years (maximum alimony 20%)

Difference in income: \$88,000

Maximum alimony: 20% of \$88,000 = \$17,600

A's net income: \$82,400; B's net: \$29,600

Maximum duration: 1 year.

Minimum: zero

Example 4:

Party A: \$75,000

Party B: \$35,000

Marriage 15 to less than 20 years (30 to 45%)

Difference in income: \$40,000

Maximum alimony: 45% of \$40,000 = \$18,000

A: \$57,000; B gets \$53,000

Maximum duration: 14 years

Minimum: 30% of \$40,000 = \$12,000

A: \$63,000; B: \$47,000

Minimum duration: 6.75 years

Example 5

Party A: \$100,000

Party B: \$25,000

Marriage of 20+ years (35 to 50%)

Difference in Income: \$75,000

Max alimony: 50% of \$75,000 = \$37,500

A: \$62,500; B: \$62,500 total: Incomes are equalized.

Duration: 11 years to permanent.

Min alimony: 35% of \$75,000 = \$26,250

A: \$73,750; B: \$51,250

Example 6

Party A: \$200,000

Party B: \$20,000

Marriage 10 to less than 15 years (25 - 40%)

Difference in income: \$180,000

Max: 40% of \$180,000 = \$72,000 alimony

A: \$128,000; B: \$92,000 total

Maximum duration: 9 years

Minimum alimony: 25% of \$180,000 = \$45,000

A: \$155,000; B: \$65,000. Min duration: 3 years