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# Alimony received and paid: What is the impact on the risk of poverty after separation?

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Household dissolution may be harmful for separated parents and their children. Alimony has an impact on the available resources of both the parent who receives payments and the parent who pays them, and therefore influences their respective poverty risk as well as those of their children. This policy brief uses the Luxembourg Income Study (LIS) data to quantify these effects and to examine how alimony receipt and payment shape poverty risks following separation. From a policy perspective, this issue warrants particular attention. A better understanding of how family dissolution interacts with private transfers, such as alimony, is essential in order to assess whether existing arrangements adequately protect families after dissolution or if additional public intervention is required to support separated parents and reduce the risk of poverty.

## Introduction

Household dissolution may be harmful for separated parents and their children. Single-parent households face significantly higher poverty risks compared to two-parent families, highlighting the vulnerability associated with limited income sources and greater costs (Bradshaw et al., 2025). This pattern is observed consistently across countries.

Alimony can play an important role in mitigating poverty risk after separation. The transfer of alimony for children (also known as child maintenance or child support) is based on the principle that both parents remain financially responsible for their child, even after separation or divorce. Such transfers between households aim at redistributing income from non-custodial to custodial parents due to unequal caregiving roles, and to minimise income gaps between the two post-separation households. The overarching objective is to prevent a sharp decline in children's living standards when moving between parental homes.

Alimony has an impact on the available resources of both the parent who receives payments and the parent who pays them, and therefore influences their respective poverty risk as well as those of their children. This policy brief uses the Luxembourg Income Study (LIS) data to quantify these effects and to examine how alimony receipt and payment shape poverty risks following separation.

From a policy perspective, this issue warrants particular attention, as child poverty has deep short-term as well as life-long consequences for children experiencing it (see, among others, De Schutter et al., 2023). Therefore, a better understanding of how family dissolution interacts with private transfers, such as alimony, is essential in order to assess whether existing arrangements adequately protect families or if additional public intervention is required to support separated parents and reduce the risk of poverty.

## Data description

By 'alimony', we mean in this study both alimony directly paid by the ex-partner and public alimony paid by the public system when the defaulting parent failed to pay the maintenance as required. We are not able to differentiate between alimony paid to the ex-partner and the alimony paid for children both which are regrouped into a single variable.

It is well documented that in many cases, alimony is not paid by the non-caring parent and that the alimony default payments are not effectively guaranteed by public authorities. It would therefore be worth comparing the situations of caring parents who do and do not receive alimony, as well as those of non-caring parents. It is however difficult to perform such an analysis using the LIS data as it is not possible to identify whether the household has children from a previous union. To estimate the impact of alimony on the poverty risk, we therefore select only households receiving/ paying alimony and compute their poverty rate both with and without alimony.

Focusing on the subsample of alimony recipients (respectively of alimony payers), we measure the impact of alimony on the poverty risk, by comparing two poverty risk rates:

One uses the household disposable income (i.e., including alimony received and subtracting alimony paid) to compute the first poverty risk rate.

The second uses the 'pre-alimony income' (i.e., excluding the amount of alimony received and including the amount of alimony paid) to compute a counterfactual poverty rate.

The poverty threshold is defined as 60% of the national median equivalised income.[1] We are aware that this is a simplistic estimation, as we do not take into account the interplay between child support and social allowances (Olson, 2022). Indeed, in a number of countries, the income test to define the eligibility and amount of means-tested social allowances takes into account the amount of alimony received or paid. It would also be interesting to consider the interaction between child

1 Household incomes are 'equivalized' to render households of different composition comparable. We use the modified OECD equivalence scale which assigns a weight of 1 to the respondent, 0.5 to other persons over 13 years old in the household, and a weight of 0.3 to children below 14 years old.

support payments and other social protection policies. In that case the poverty alleviation function of child support becomes ineffective (Hakovirta and Jokela, 2018; Hakovirta et al., 2020).

As we estimate the impact of alimony on different household types and as some concern only a small share of the population in some countries, we checked whether our computations were performed on minimal subsamples. This ensures that findings are accurate, reliable, and meaningful, and not prone to random noise and large standard errors. As a rule of thumb, we disregarded sub-populations with 50 observations or fewer.

The household type available in the LIS data (variable typehh) uses the concept of dependent child, defined as a child aged 17 or younger, or a child aged 18 to 24 who is still in education.[2]

We selected the following countries for which there is available information on the alimony received and paid: Austria (2021), Belgium (2021), Denmark (2022), Finland (2016), Sweden (2021), and Luxembourg (2021). For details on the child maintenance system in these countries, see OECD (2024), for instance.

## Distribution of alimony recipients and payers by household type

The following descriptive analyses explore the effect of the payment and receipt of alimony on the risk of poverty among people living in different household types.

First, Table 1 reports the weighted proportions of individuals in each household type who receive or pay alimony and highlights the household types with the highest probability of being affected by the receipt or payment of alimony.

As expected, people living in households composed of a lone parent with at least one dependent child are proportionally more likely to receive alimony, however with sizeable cross-country variation.[3] The percentage ranges from 17.8% in Denmark to 44.2% in Austria. Notably, Austria is also the country where the average amount received is comparatively higher as confirmed by the available evidence (Hakovirta and Mesiäislehto, 2022). Multigenerational family and the residual category other household type may be the next most likely to receive alimony, especially in Sweden (25.4% and

**Table 1**—Proportion of people living in household type receiving (r) or paying (p) alimony (%)

| | AT | | SE | | BE | | DK | | FI | | LU | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Household type (*) | r | p | r | p | r | p | r | p | r | p | r | p |
| One person household [10] | 1.3 | 6.2 | 0.6 | 2.0 | 0.5 | 4.4 | 0.3 | 4.3 | 1.7 | 0.9 | 1.0 | 4.9 |
| Couple without children [20] | 0.2 | 5.3 | 0.1 | 1.1 | 0.1 | 1.2 | 0.1 | 2.5 | 0.2 | 1.1 | 0.4 | 2.6 |
| Lone parent with at least one dependent child [31] | 44.2 | 5.9 | 34.8 | 12.7 | 27.1 | 1.9 | 17.8 | 8.1 | 34.4 | 1.1 | 31.3 | 2.7 |
| One parent with non-dependent children only [32] | 4.8 | 4.9 | 4.1 | 2.2 | 6.2 | 1.6 | 1.3 | 8.6 | 0.0 | 1.2 | 2.5 | 5.4 |
| Couple with at least one dependent child [33] | 5.1 | 4.7 | 4.7 | 3.6 | 2.8 | 2.4 | 2.5 | 5.5 | 3.6 | 1.8 | 4.4 | 4.3 |
| Couple with non-dependent children only [34] | 0.1 | 4.3 | 0.9 | 0.0 | 0.0 | 0.0 | 0.3 | 5.4 | 0.1 | 1.1 | 2.5 | 3.4 |
| Multigenerational family [41] | 11.7 | 3.7 | 25.4 | 8.8 | 0.9 | 0.4 | 3.6 | 6.5 | 1.0 | 1.0 | 3.1 | 2.8 |
| Other household type [90] | 3.4 | 0.7 | 10.8 | 8.8 | 3.1 | 21.7 | 3.8 | 8.8 | 0.0 | 0.5 | 3.6 | 0.4 |

*Note: Authors' elaborations by using LIS data. (*) The LIS code for the variable typehh is shown in brackets. Labels r and p stand for 'receiving' and 'paying', respectively.*

2 Variable *typehh* includes: [10] one person household; [20] couple without children; [31] lone parent with at least one dependent child; [32] lone parent with non-dependent children only; [33] couple with at least one dependent child; [34] couple with non-dependent children only; [41] multigenerational family; [90] other household type.

3 For completeness, Table A1 in the Appendix provides (unweighted) sample size of each household type, while Table A2 reports the weighted poverty rate by household type in each country, for those receiving, paying, and the overall population.

10.8%, respectively) and Austria (11.7% and 3.4%, respectively), although these results are less robust due to small sample sizes (see Table A2 in the Appendix). People living in couples with at least one dependent child constitute another group of alimony recipients. Although the proportion of recipients is lower in this group (ranging from 2.5% to 5.1%), it may still represent a non-negligible number of people as a substantial share of the population lives in this household configuration (OECD, 2024).

Turning to alimony payers, they are represented across nearly all household types. Their share is relatively similar across all household types in Austria and Denmark (around 5%). In the other countries, the household type most concerned by alimony payments differs. In Belgium, people living alone are proportionally more likely to pay alimony (4.4%). The same holds in Luxembourg (4.9%), although lone parents (5.3%) and couples with dependent children (4.3%) are also affected. Sweden stands apart, with lone parents the most likely to pay alimony (12.7%), followed by multigenerational and complex households (both around 8%). In Finland, the frequency of alimony payment is much lower, across all household types (around 1%). The probability of receiving and paying alimony may be influenced by the national legal rules, the sharing of parental responsibility and involvement, or the type of custody chosen. The latter varies a lot between the countries analysed in this paper, as shown by the data from the EU-SILC specific module on custody collected in 2021:[4] the proportion of children in shared custody after separation is the highest in Sweden (54%) and Denmark (41%), followed by Finland (33%) and Belgium (30%) and it is much lower in Austria (10%). No data is available for Luxembourg.

## Impact of alimony on the poverty risk of people received or paying it

The effect of receiving alimony on the risk of poverty is shown in Table 2. The results show that, for the entire population of alimony recipients, the impact on the poverty rate varies across countries, ranging from 10 percentage points (pp) in Austria and Luxembourg to around 3 pp in Sweden and Denmark, with Belgium occupying an intermediate position (7 pp). These differences can be explained by the amount of alimony and the position of alimony recipients within the income distribution.

**Table 2**—Poverty rates by household type for the population receiving alimony only: income including vs. excluding alimony receipt (%)

| | AT | | SE | | BE | | DK | | FI | | LU | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Household type (*) | r | nr | r | nr | r | nr | r | nr | r | nr | r | nr |
| One person household [10] | – | – | – | – | – | – | 79.1 | 86.2 | – | – | – | – |
| Couple without children [20] | – | – | – | – | – | – | 39.0 | 44.1 | – | – | – | – |
| Lone parent with at least one dependent child [31] | 28.8 | 43.6 | 27.7 | 34.2 | 29.9 | 40.3 | 17.6 | 22.6 | 20.8 | 33.8 | 19.6 | 34.7 |
| One parent with non-dependent children only [32] | – | – | – | – | – | – | 18.5 | 20.4 | – | – | – | – |
| Couple with at least one dependent child [33] | 13.6 | 15.2 | – | – | 13.6 | 16.3 | 4.1 | 5.1 | 4.0 | 4.0 | 37.8 | 43.3 |
| Couple with non-dependent children only [34] | – | – | – | – | – | – | – | – | – | – | – | – |
| Multigenerational family [41] | – | – | – | – | – | – | 4.0 | 4.0 | – | – | – | – |
| Other household type [90] | – | – | 37.1 | 37.1 | – | – | 23.3 | 27.3 | – | – | – | – |
| Total | 19.4 | 28.5 | 16.8 | 20.4 | 23.5 | 31.0 | 14.5 | 17.8 | 14.1 | 21.2 | 27.3 | 37.8 |

*Note: Authors' elaborations by using LIS data. (*) The LIS code for the variable typehh is shown in brackets. Labels r and nr stand for 'receiving' and 'not receiving', respectively. '–' means that the rates cannot be computed due to small sample size (group with 50 observations or fewer)*

4 See Meyer et al. (2024).

**Table 3**—Poverty rates by household type for the population paying alimony only: income including vs. excluding alimony payment (%)

| | AT | | SE | | BE | | DK | | FI | | LU | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Household type (*) | p | np | p | np | p | np | p | np | p | np | p | np |
| One person household [10] | 23.1 | 14.1 | – | – | 23.1 | 13.6 | 15.7 | 12.2 | – | – | 11.8 | 10.2 |
| Couple without children [20] | 7.7 | 6.1 | – | – | – | – | 4.4 | 3.5 | – | – | 9.8 | 3.2 |
| Lone parent with at least one dependent child [31] | – | – | 21.8 | 20.8 | – | – | 16.3 | 13.2 | – | – | – | – |
| One parent with non-dependent children only [32] | – | – | – | – | – | – | 7.6 | 7.1 | – | – | – | – |
| Couple with at least one dependent child [33] | 8.9 | 7.1 | 9.6 | 7.1 | 8.6 | 3.6 | 5.0 | 4.4 | – | – | 34.7 | 15.5 |
| Couple with non-dependent children only [34] | – | – | – | – | – | – | 1.5 | 1.1 | – | – | – | – |
| Multigenerational family [41] | – | – | – | – | – | – | 3.1 | 3.1 | – | – | – | – |
| Other household type [90] | – | – | – | 7.4 | – | – | 5.2 | 4.3 | – | – | – | – |
| Total | 12.5 | 8.0 | 14.5 | 12.2 | 12.0 | 6.4 | 8.6 | 7.0 | 1.7 | 1.6 | 21.8 | 11.4 |

*Note: Authors' elaborations by using LIS data. (*) The LIS code for the variable typehh is shown in brackets. Labels p and np stand for 'paying' and 'not paying', respectively. '–' means that the rates cannot be computed due to small sample size (group with 50 observations or fewer).*

People in lone-parent households [31] are the most affected. If lone-parent households receiving alimony had not received it, their poverty rate would have increased by more than 10 pp in Austria, Belgium, Finland, and Luxembourg. For people in couples with dependent children receiving alimony, the effect of non-receipt is negligible (even zero in Finland), with the partial exception of Luxembourg (-5.5 pp). This suggests that these households' income lies sufficiently above the poverty threshold to remain unaffected by the simulated non-payment of alimony.

Table 3 shows the effect of alimony payments on poverty rates. The impact for the population of payers at the national level is the largest in Luxembourg (about 10 pp) and ranges between 2 pp and 5 pp in the other countries (no effect in Finland). Depending on the country, the sample is large enough to report results for only a few household types ([10], [20], [31], and [33]). In Finland, the sample of alimony payers is too small to show any results by household type. The largest impact on the poverty rate is observed for alimony payers living alone in Austria and Belgium (10 pp). For other household types, the impact is lower (except in Luxembourg).

## Conclusions and discussion

The paper presents very rough (mechanical) estimates of the impact of alimony on the poverty risk of people living in households receiving or paying them.

Overall, this descriptive analysis revealed that alimony is crucial to reduce poverty among recipients, by up to 10 percentage points—especially for lone-parent households—while paying alimony can increase poverty risk for some payers (notably singles), although the impact is much lower and there is considerable cross-country variation.

However, as previously explained, this analysis focuses solely on alimony recipients and payers and thus omits the households not receiving/paying alimony but having children from previous unions. This therefore does not allow generalisation, as the latter may differ from the sample of those included in this analysis. Indeed, the determinants of whether a caring parent receives alimony (or spousal support) from the previous partner are influenced by a combination of legal, financial, and relational factors that are not randomly distributed (Cancian et al., 2025). The probability of receiving alimony is correlated with other determinants of poverty—such as education level, labour market attachment, and number of children—which makes it difficult to isolate the net effect of alimony on poverty risk. The same applies

to households paying alimony. It would therefore be worthwhile to explore these interrelations further and to estimate the net effect of alimony once the usual poverty determinants have been controlled for.

The data do not allow to know whether there is no alimony decided on between the parents, whether a parent is in default of payment, or whether other arrangements have been made regarding the sharing of expenses or family allowances. Similarly, we have no data on the possible intervention of the public fund for alimony default. However, it is well known that countries in which child support payments are guaranteed by the government perform much better in terms of securing the living standards of parents with the main custody, particularly mothers (Skinner and Hakovirta, 2020; Hakovirta et al., 2020).

This analysis also shows that better data are needed to improve tracking of the living conditions of children in separated families. It is important to clarify the rules governing the inclusion of children living in multiple households in the sample survey. If the aim is to study the social, psychological and material living conditions of the children with separated parents, it makes sense to identify their living conditions in the different households to which they belong. Furthermore, this study only considers household income. It would also be important to collect detailed data on expenses and cost sharing between the separated parents, as well as on family benefits sharing.

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## Appendix: Supplemental tables

**Table A1**— (Unweighted) sample size of each household type in the total sample

| Household type (*) | AT | SE | BE | DK | FI | LU |
|---|---|---|---|---|---|---|
| One person household [10] | 2,355 | 2,364 | 2,327 | 139,973 | 2,432 | 1,187 |
| Couple without children [20] | 3,542 | 5,862 | 3,612 | 152,684 | 7,832 | 2,296 |
| Lone parent with at least one dependent child [31] | 565 | 1,184 | 1,435 | 42,471 | 919 | 421 |
| One parent with non-dependent children only [32] | 286 | 237 | 456 | 8,383 | 315 | 141 |
| Couple with at least one dependent child [33] | 4,256 | 9,404 | 5,738 | 213,791 | 11,675 | 3,793 |
| Couple with non-dependent children only [34] | 511 | 653 | 693 | 14,893 | 1,187 | 682 |
| Multigenerational family [41] | 298 | 72 | 429 | 7,021 | 191 | 325 |
| Other household type [90] | 195 | 352 | 80 | 9,325 | 145 | 102 |

*Source: Authors' elaborations by using LIS data. (*) The LIS code for the variable typehh is shown in brackets.*

**Table A2**—Poverty rate by household type for those receiving and paying alimony and the whole population (%)

| Household* | AT | | | SE | | | BE | | | DK | | | FI | | | LU | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| type (*) | r | p | w | r | p | w | r | p | w | r | p | w | r | p | w | r | p | w |
| [10] | – | 23.1 | 23.0 | – | – | 29.7 | – | 23.1 | 24.7 | 79.1 | 15.7 | 26.6 | – | – | 28.0 | – | 11.8 | 16.9 |
| [20] | – | 7.7 | 8.9 | – | – | 5.4 | – | – | 9.8 | 39.0 | 4.4 | 6.1 | – | – | 5.3 | – | 9.8 | 8.8 |
| [31] | 30.0 | – | 31.2 | 27.7 | 21.8 | 27.8 | 29.9 | – | 33.2 | 17.6 | 16.3 | 22.5 | 20.8 | – | 20.0 | 19.6 | – | 36.6 |
| [32] | – | – | 11.8 | – | – | 19.4 | – | – | 18.8 | 18.5 | 7.6 | 10.4 | – | – | 9.8 | – | – | 12.2 |
| [33] | 13.6 | 8.9 | 14.0 | – | 9.6 | 11.9 | 13.6 | 8.6 | 10.3 | 4.1 | 5.0 | 5.9 | 4.0 | – | 1.2 | 37.8 | 34.7 | 21.8 |
| [34] | – | – | 3.3 | – | – | 8.1 | – | – | 9.3 | – | 1.5 | 2.7 | – | – | 3.4 | – | – | 8.3 |
| [41] | – | – | 11.2 | – | – | 14.0 | – | – | 14.7 | 4.0 | 3.1 | 5.5 | – | – | 3.6 | – | – | 7.9 |
| [90] | – | – | 37.3 | 37.1 | – | 24.0 | – | – | 3.0 | 23.3 | 5.2 | 13.2 | – | – | 9.5 | – | – | 5.0 |
| Total | 19.4 | 12.5 | 14.7 | 16.8 | 14.5 | 16.1 | 23.5 | 12.0 | 14.4 | 14.5 | 8.6 | 12.2 | 14.1 | 1.7 | 11.4 | 27.3 | 21.8 | 17.5 |

*Note: Authors' elaborations by using LIS data. (*) The LIS code for the variable typehh is shown in brackets: [10] one person household; [20] couple without children; [31] lone parent with at least one dependent child; [32] lone parent with non-dependent children only; [33] couple with at least one dependent child; [34] couple with non-dependent children only; [41] multigenerational family; [90] other household type. Labels r, p and w stand for 'receiving', 'paying' and 'whole population', respectively. '–' means that the rates cannot be computed due to small sample size (group with 50 observations or fewer).*

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