

NOTICE

Decision filed 08/25/26. The text of this decision may be changed or corrected prior to the filing of a Petition for Rehearing or the disposition of the same.

2026 IL App (5th) 250461-U

NO. 5-25-0461

IN THE

APPELLATE COURT OF ILLINOIS

FIFTH DISTRICT

NOTICE

This order was filed under Supreme Court Rule 23 and is not precedent except in the limited circumstances allowed under Rule 23(e)(1).

DENISE J. CRADDOCK,

Petitioner-Appellee,

v.

JAMES L. WILLIAMS,

Respondent-Appellant.

) Appeal from the
) Circuit Court of
) Douglas County.
)
) No. 21-F-28
)
) Honorable
) Dana C. Rhoades,
) Judge, presiding.

JUSTICE SHOLAR delivered the judgment of the court.
Justices Boie and McHaney concurred in the judgment.

ORDER

¶ 1 *Held:* The trial court did not abuse its discretion in calculating respondent's net income for purposes of child support.

¶ 2 The appellant, James L. Williams, appeals from the Douglas County trial court's child support order. Williams contends that the trial court abused its discretion by failing to make certain deductions when calculating Williams' net income for purposes of setting child support. The appellee, Denise J. Craddock, responds, arguing that the court correctly computed Williams' net income, where Williams failed to provide documentation and detailed testimony about his expenditures. For the reasons that follow, we affirm.

¶ 3

I. BACKGROUND

¶ 4 In November 2021, Craddock filed a petition to establish parentage. She sought an allocation of parental responsibilities with respect to the parties' two minor children. Craddock sought orders requiring Williams to provide child support and related relief, including retroactive child support to the date of the children's births. Williams admitted parentage of the minor children. He filed numerous responses to Craddock's petitions.

¶ 5 On September 20, 2022, the trial court held a hearing on temporary relief. The court noted that Williams was the natural father. A temporary agreement was read into the record and agreed to by the parties. On September 22, 2022, the trial court entered an initial order for support, requiring support at the rate of \$1,408.85 per month, beginning on October 1, 2022. The court reserved ruling on issues related to retroactive support and credit for past payments.

¶ 6 On January 30, 2023, the trial court held a hearing. The parties reached an agreement on parenting time. The court reserved ruling on permanent child support, and instructed the parties to file updated financial affidavits. On September 13, 2022, Williams filed an original financial affidavit. On February 22, 2023, he filed an amended financial affidavit. He filed a second amended financial affidavit on August 2, 2023. This included his 2022 tax returns, which laid out documentation regarding business income and expenses.

¶ 7 On August 3, 2023, the trial court held a hearing on parenting time. The court took the matter under advisement and issued a written order on August 11, 2023. In the order, the court noted that Williams would have at least, if not slightly more than, 146 overnights with the children.

¶ 8 On September 19, 2023, the trial court held a hearing on remaining financial matters. Williams testified that he was in the Army National Guard. He also worked for an information technology company. Williams testified that he owned two Airbnb properties in Missouri. Over

objection from Craddock, the court determined that Williams could testify about common deductions that Airbnbs might have, such as taxes, utilities, cleaning fees, and related expenses. However, the court noted that it would rely on Williams' tax records to show his income, losses, and net profits.

¶ 9 Turning to the Airbnbs, Williams testified that he owned Airbnb properties for two to three years. He testified that his understanding of tax issues with his rental properties continued to evolve. He testified that he took a loss on his Airbnb properties over the last two years. The trial court observed that Williams used an accountant to prepare his taxes.

¶ 10 Williams testified that his Airbnb income varied year to year and month to month. His tax returns demonstrated that he made less overall income from his Airbnb properties in 2023 than he did in 2022. The trial court continued the hearing on financial issues to February 20, 2024. During that hearing, Williams testified regarding various financial matters and that he lost money on his Airbnb properties.

¶ 11 On April 19, 2024, the trial court entered a written order. The court noted that Williams' gross income with the Army National Guard was \$12,255.68. His gross annual income for his technology job was \$95,000.01. The court noted that Williams had two Airbnb properties in Missouri. The court acknowledged that there was testimony about the properties, including how rental pricing is determined. The court noted that there was testimony "related to the overhead expenses and allowable tax deductions for the properties, including cleaning fees, maintenance expenses, mortgage payments, and depreciation." However, there was "disagreement" about how much income Williams earned from the properties.

¶ 12 The court noted that Williams testified that based on his income tax returns, the properties produced “little to no income.” Craddock’s position was that Williams earned income and was not entitled to claim all of the deductions for purposes of child support calculations.

¶ 13 The court noted that Williams’ 2022 income tax returns reported gross “sales” of \$59,704 for his Airbnb business. Williams’ income tax return showed gross rental income for the two Missouri properties in the amount of \$28,620. “Applying the standard and definition of necessary and ordinary business expense” the court determined that the following expenses were deductible from the business income and rental income earned from Williams’ Airbnb business: “cleaning expenses associated with cleaning the properties between guest stays, property maintenance/repair expenses, monthly utility expenses, supplies directly associated with supplying items to the properties for guest stays, mortgage payments, and property tax payments.” The court specifically noted that “depreciation, travel expenses, vehicle expenses, and other business property expenses” were not applicable deductions for child support calculations. The court acknowledged the “fluctuating nature of the Airbnb deductible expenses and income from year to year and the impact this and changes in other sources of the parties’ income may have on child support obligations.” The court noted that those “matters should be subject to review from time to time as the parties wish.”

¶ 14 On September 10, 2024, the parties appeared for video conference regarding interpretation of the April 19, 2024, order. The parties were directed to submit written briefs. Williams filed his position statement on October 1, 2024. Williams argued that his deductions on his 2022 tax filings for house depreciation, travel expenses, and vehicle expenses should not have been used to calculate his net income.

¶ 15 On November 7, 2024, the trial court entered a written memorandum clarifying its child support order. The court clarified that its parenting order would be considered equivalent to 45% of the overnight parenting time to Williams and directed that child support calculations would be based upon that percentage.

¶ 16 Turning to the Airbnbs, the court noted that Williams' tax returns were admitted into evidence, the Airbnb gross sales were \$59,704, and the rental gross income was \$28,620. The court reiterated its findings from April 19, 2024, as it related to deductible and nondeductible expenses. The court determined that based upon the deductions, as well as the 45% allocation of parenting time, Williams' support obligation was set at \$1,394.78 per month, retroactive to March 10, 2022.

¶ 17 On January 23, 2025, Williams filed a motion to reconsider. He argued that the court's calculation failed to account for mortgage payments and omitted Schedule C supplies and Schedule E supplies. Williams argued that the Schedule C supplies set forth in his tax returns totaled \$17,277. He also argued that although the court acknowledged that mortgage payments were necessary expenses, the court failed to factor them into the court's child support calculations. Williams argued that when mortgage payments and Schedule C supplies are accounted as allowable deductions, the total expenses for the year exceeded the rental income generated.

¶ 18 On April 30, 2025, the trial court entered a written order. The court noted that Williams argued that deductions listed as Airbnb supplies on Schedules C and E of his 2022 tax return should have been considered when calculating his net income. The court observed that Williams testified that he remodeled parts of his primary residence such as the bathroom, deck, and landscaping, but he did not claim to have made capital improvements to the Airbnb properties. He also testified about the pricing "algorithm" affecting rental rates. However, the court found that Williams

provided no testimony or receipts explaining the nature of the expenses listed on the schedules, though it recognized that cleaning and utilities were reasonable and necessary expenses.

¶ 19 The court explained that Williams did not provide detailed testimony about the specific supplies he purchased. Williams stated only that receipts were given to his accountant and offered no documentation or specific evidence beyond a financial affidavit listing “common deductions for Airbnb hosts.” Although the court acknowledged that Williams had reasonable and necessary expenses, Williams did not identify which dollar amounts corresponded to which expenses, preventing the court from determining their reasonableness.

¶ 20 The court determined that certain expenses, including cleaning, maintenance and repairs, utilities, guest-related supplies, mortgage payments, and property taxes, were deductible from his business and rental income. It concluded that depreciation, travel, vehicle expenses, and other property expenses shown on his 2022 tax return were not applicable for child support calculations.

¶ 21 In conclusion, the court reiterated that Williams testified about expenses but failed to provide detailed evidence regarding supplies. Although Williams’ financial affidavit listed typical Airbnb deductions, the court found that only the mortgage principal and interest payments, along with cleaning and utility expenses, were sufficiently supported and should be deducted when calculating child support. Where Williams provided no specific evidence supporting the supply amounts listed on Schedule C and Schedule E, the court denied his motion to reconsider.

¶ 22 This timely appeal followed.

¶ 23 II. ANALYSIS

¶ 24 On appeal, Williams argues that the trial court abused its discretion by calculating Williams’ net income for purposes of child support. Specifically, he argues that the trial court should have concluded that expenses claimed in Schedule C and Schedule E were ordinary and

necessary expenses required to carry on his business. Craddock responds, arguing that Williams failed to provide the trial court with documentation or detailed testimony about the expenditures. We agree and affirm.

¶ 25 When determining child support under section 505(a)(1.5) of the Illinois Marriage and Dissolution of Marriage Act (Act) (750 ILCS 5/505(a)(1.5) (West 2022)), the trial court should first calculate each party's basic child support obligation under the statutory guidelines. *In re Marriage of Gabriel*, 2020 IL App (1st) 182710, ¶ 54. Section 505(a)(1.5) of the Act instructs that, to calculate the basic child support obligation, the following steps should be taken: (1) determine each party's net income, (2) add the parents' monthly net incomes together to determine the parents' combined monthly net income, (3) select the corresponding appropriate amount from the schedule of basic child support obligations based on the parties' combined monthly net income and number of children of the parties, and (4) calculate each parent's percentage share of the basic child support obligation. 750 ILCS 5/505(a)(1.5). Section 505(a)(3.1) of the Act states: "For purposes of calculating child support, net business income from the operation of a business means gross receipts minus ordinary and necessary expenses required to carry on the trade or business." 750 ILCS 5/505(a)(3.1) (West 2022).

¶ 26 The trial court ultimately has discretion to determine the appropriate amount of child support. *In re Marriage of Gabriel*, 2020 IL App (1st) 182710, ¶ 56. Thus, the reviewing court will not reverse the trial court's determination of support absent an abuse of discretion. *Id.*

¶ 27 In the case before us, the trial court found that although Williams claimed various Airbnb-related deductions from his 2022 tax return should reduce his income for child support purposes, he failed to provide specific testimony or documentation showing what the listed supplies and expenses actually were. The court acknowledged that certain expenses such as cleaning, utilities,

maintenance, repairs, mortgage principal and interest, and property taxes were reasonable and necessary and therefore deductible. However, Williams did not offer detailed evidence linking dollar amounts to specific supplies or showing that the supply expenses on Schedules C and E were reasonable and necessary. Because of this lack of supporting proof, the court declined to deduct the expenses from Williams' net income for purposes of calculating child support.

¶ 28 On appeal before this court, Williams continues to offer blanket argument without offering this court any specific information about what supplies he purchased for his properties. Based on the evidence and law before us, we cannot say that the trial court erred in rendering its findings. The court was in the best position to weigh the evidence and make a credibility assessment of the testimony. We have thoroughly reviewed the record on appeal, and we cannot say that the trial court abused its discretion by calculating Williams' net income for purposes of setting child support.

¶ 29 III. CONCLUSION

¶ 30 For the reasons stated, we affirm the Douglas County trial court's calculation of child support.

¶ 31 Affirmed.