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Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A26-0118**

In Re the Custody of: M. D. T. - -

Jeremy James Tiede, petitioner,
Respondent,

vs.

Samantha Jo Barber,
Appellant,

County of Le Sueur,
Respondent.

**Filed September 14, 2026
Reversed and remanded
Ross, Judge**

Le Sueur County District Court
File No. 40-FA-13-61

Steven P. Groschen, Alliance Law Firm P.A., Rochester, Minnesota (for respondent
Jeremy James Tiede)

Jacob M. Birkholz, Paul W. Brink, Birkholz & Associates, LLC, Mankato, Minnesota (for
appellant)

Brent Christian, Le Sueur County Attorney, Le Center, Minnesota (for respondent Le Sueur
County)

Considered and decided by Ross, Presiding Judge; Larson, Judge; and Beane, Judge.

NONPRECEDENTIAL OPINION

ROSS, Judge

The district court granted Jeremy Tiede's motion to modify his child-support obligation to Samantha Barber based on Tiede's accountant's calculations of his self-employment income. Because the record does not establish, and the findings are insufficient to support the inference, that the accountant's calculations follow the statutory formula for calculating a parent's self-employment income in a child-support-modification proceeding, we reverse and remand for further proceedings.

FACTS

Jeremy Tiede and Samantha Barber are parents of a minor child born in 2009. The district court in 2013 ordered Tiede to pay Barber child support and modified his basic support obligation four times through May 2023, when it set it at \$629 monthly.

Tiede moved the district court in 2024 to modify the 2023 order. The district court referred the matter to a child-support magistrate, who received documentary evidence and conducted a hearing on the motion. Tiede submitted 2023 and 2024 Schedule F tax forms reporting the profits or losses of his family's farming operation, Tiede Grain & Livestock LLC. He also submitted 2023 and 2024 Schedule K-1 tax forms reporting his individual income as a partner in the operation. The record already contained the Schedule F and Schedule K-1 forms for 2021 and 2022. Tiede also submitted a summary of his income prepared by his accountant. That summary represented that Tiede's total income was \$57,106 in 2021, \$83,525 in 2022, \$35,304 in 2023, and \$29,598 in 2024, and calculated the monthly average as \$4,281.94.

Tiede argued that the district court should recalculate his child-support obligation based on his average income from 2021 to 2024 because its prior calculation included outlier years inflating his means. Tiede's accountant testified that he prepared the tax returns for Tiede personally and for Tiede Grain & Livestock. He explained how he determined Tiede's 2024 income, clarifying that the \$29,598 amount "is for tax purposes only, to calculate how much self-employment tax or social security he pays." He also explained that he reached that amount by combining the \$36,000 guaranteed annual salary that the farming operation pays Tiede minus his proportioned share of that year's business losses of \$6,402. The accountant had previously testified that this income calculation does not include any advanced tax deductions for Tiede Grain & Livestock. He explained too that the operation's Schedule F reports exclude the farm's advanced deductions from its expenses.

The magistrate ordered Tiede to file four years of the farming operation's balance sheets and held another evidentiary hearing. After that hearing, the magistrate issued an order reducing Tiede's \$629 monthly child-support obligation to \$442. She specifically credited the accountant's determination of Tiede's income, adopting his conclusion that Tiede's gross monthly income was \$4,282. She found that Tiede "is not underrepresenting his income in order to pay less child support" and that his lifestyle aligns with his reported income.

Barber removed the matter to district court for review of the magistrate's order. The district court affirmed. Barber appeals.

DECISION

Barber raises three arguments challenging the district court's order affirming the magistrate's order modifying child support. She argues first that the magistrate abused her discretion by adopting the accountant's calculations on Tiede's income instead of following the formula required by Minnesota Statutes section 518A.30 (2024) to calculate a parent's self-employment income. She argues second that the magistrate clearly erred by overlooking Tiede's year-to-year increases in net worth when calculating his gross income. And she argues third that the magistrate abused her discretion by crediting the accountant's opinion over the balance sheets in finding the farming operation's expenses to be ordinary. She argues in the alternative that the order's findings are insufficient for appellate review. For the following reasons, we are convinced by Barber's first and alternative arguments and do not reach the others.

I

We agree that the magistrate abused her discretion by relying on Tiede's accountant's calculation of his gross income without making the statutory-directed findings and determining the income based on those findings. A parent's presumptive child-support obligation rests on his gross income. Minn. Stat. §§ 518A.29, 518A.34(b)(1) (2024). A parent's gross income includes his self-employment income, Minn. Stat. § 518A.29(a), which is determined using a defined method:

[I]ncome from self-employment or operation of a business, including joint ownership of a partnership or closely held corporation, is defined as gross receipts minus costs of goods sold minus ordinary and necessary expenses required for self-employment or business operation. Specifically excluded

from ordinary and necessary expenses are amounts allowable by the Internal Revenue Service for the accelerated component of depreciation expenses . . . or any other business expenses determined by the court to be inappropriate or excessive for determining gross income for purposes of calculating child support.

Minn. Stat. § 518A.30. When the parent shares ownership of the business from which the income derives, the court must apportion the income to the parent based on his ownership share. *Haefele v. Haefele*, 837 N.W.2d 703, 711 n.4 (Minn. 2013). The court must follow this formula when determining a parent's self-employment income as incorporated into his gross income under section 518A.29(a). *Id.* at 712. Tiede urges us to consider the magistrate's income finding deferentially, considering only whether the magistrate's income finding is clearly erroneous. But because our income-determination review requires us to consider the magistrate's application of law, an error about which constitutes an abuse of discretion, *Ludwigson v. Ludwigson*, 642 N.W.2d 441, 445–46 (Minn. App. 2002), we apply an abuse-of-discretion standard of review.

And we agree with Barber that the magistrate's reliance on the accountant's calculation of Tiede's income, and the district court's implicit adoption of that reliance, constitutes an abuse of discretion. We can assume without deciding that a magistrate may adopt an expert accounting witness's calculation of a parent's gross income based on self-employment without expressly making the calculations separately, so long as the expert's calculation followed the statutory formula for any self-employment income. But our thorough review of the record convinces us that the accountant did not calculate Tiede's income using section 518A.30's formula. The accountant testified that Tiede's annual-

income figures reflect “how much self-employment tax or social security [Tiede] pays,” calculated by adding or subtracting his share of the farm’s profits or losses from a \$36,000 guaranteed salary. This might reasonably capture Tiede’s actual cash flow, but it is not the income-determination process required by law. We have found nothing in the accountant’s testimony in any hearing even suggesting that his income calculations rested on Tiede Grain & Livestock’s “gross receipts minus costs of goods sold minus ordinary and necessary expenses” as apportioned to Tiede based on his ownership share. Minn. Stat. § 518A.30; *Haefele*, 837 N.W.2d at 711 n.4. The magistrate therefore improperly failed to determine Tiede’s income using the statutory formula. And the district court therefore erred by affirming the magistrate’s order without modification. This error constitutes an abuse of discretion requiring a remand.

We are not persuaded otherwise by Tiede’s position as clarified at oral argument that we can trust that the accountant followed the statutory formula because the record contains all the information section 518A.30 requires. It is true that the record might contain the farming operation’s gross receipts, cost of goods sold, and ordinary expenses excluding any accelerated deductions in its four years of Schedule F forms. And it includes Tiede’s ownership share of the farm across the same four years in its Schedule K-1 forms. But nothing in the accountant’s testimony suggests that he applied the resulting figures in the manner required by law in calculating Tiede’s income. On the contrary, he testified that he determined Tiede’s income based primarily on his \$36,000 guaranteed salary from the farming operation. That the data exists in the record is not enough to demonstrate that the accountant incorporated and applied them as required.

II

We also agree with Barber’s alternative argument as a separate basis for reversal. That is, even if the magistrate in fact applied the statute without saying so, a remand is necessary because we cannot meaningfully review the decision on appeal without a clear indication that the calculation resulted from the required calculation method. A district court’s or magistrate’s failure to make findings on statutorily required factors in its modification analysis requires remand for additional findings, “[e]ven if a modification were justified.” *Beede v. Law*, 400 N.W.2d 831, 835 (Minn. App. 1987); *see also Stich v. Stich*, 435 N.W.2d 52, 53 (Minn. 1989). The magistrate’s order here appears to rely solely on the accountant’s calculations without any independent findings on Tiede Grain & Livestock’s gross receipts, costs of goods sold, or ordinary and necessary expenses. And the district court’s review of the magistrate’s decision is explained only in its conclusory statement that it “has carefully reviewed the file and records” without indicating that it analyzed the result under the controlling statutory formula. Tiede highlights other findings the magistrate included about his income, but those collateral findings do not mitigate the lack of required findings. We reverse the child-support-modification order and direct the district court to make the findings and calculations required by law to determine the parties’ income. We leave to the district court’s discretion whether to receive additional evidence and conduct a new hearing before issuing a new order on the modification motion.

Reversed and remanded.