Title:
'Help The Court Has Seized My Assets' - Garnishment In Law And Practice

Word Count:
669

Summary:
A court order that seizes assets from the defendant to pay off a debt is known as Garnishment. One form of garnishment is automatic withholding of the debtor's wages. When a creditor fails to satisfy the debt taken, the court can issue a garnishment against him. When the creditor petitions the court to send a portion of its pay to satisfy the debt then this step is taken.

The garnishment law differs from state to state and varies in details also. Generally, the TVA is req...

Keywords:
Wage Garnishment Law,IRS Wage Garnishment,IRS Levy,IRS Garnishment,Wage Garnishment,Garnishment

Article Body:
A court order that seizes assets from the defendant to pay off a debt is known as Garnishment. One form of garnishment is automatic withholding of the debtor's wages. When a creditor fails to satisfy the debt taken, the court can issue a garnishment against him. When the creditor petitions the court to send a portion of its pay to satisfy the debt then this step is taken.

The garnishment law differs from state to state and varies in details also. Generally, the TVA is required to take over 25% of an employee's disposable earnings or assets, thereafter sending that amount to court. The pay of an employee can be under garnishment until the complete of the debt has been collected.

This situation arises when we fail to pay taxes, skip out on child support or overlook some bills. Under these circumstances the state government or the creditor can seize our wages as well. This process is known as Wage garnishment. Most garnishment requires court orders and employers are supposed to notify the creditor before any step is taken. But garnishment is the last option for which a government goes for. It is taken up only after all other options have exhausted.

One should never ignore IRS because due to ignorance there are chances of increase in garnishment, as they know our work place, living place and even the bank account. The loans or the help provided by the government are of many types such as student loan for education, business loan, child support, and etc. To collect the loans back, IRS is not alone but the state government, private creditors, or even an ex-spouse demanding the alimony can also demand garnishment of our pay. To claim the garnishment, only different branches of the government do not need to take court orders, other than every other agency needs to obtain a court order to claim the garnishment.

Losing the income is not easy but there are some limits for garnishment. Title III of the Consumer Credit Protection Act caps the amount of wages that can be taken from an employee. In this manner, the person is also left with some part of the income as well as the creditor is also paid up. This also prevents the creditor to speed up the debt recovery procedure and harass the debtor.

The level of garnishment is based on the disposable earnings of the employee. This amount comes after deducting the legal deductions of federal state and local taxes, social security, unemployment, insurance and state employee retirement system. Things that do not come in the head of voluntary deductions are union dues, health and life insurance, charity, purchase of savings bonds and payment for payroll advance. After taking all the preventative measures, the disposable income amount is calculated the maximum amount that can be garnished in any pay period should not exceed more than 25% of the employees’ disposable earning.

The garnishment law allows up to 50% of the employees’ disposable income to be garnished, if he supports the wife and a child. The restrictions on garnishment do not apply in case of court orders of bankruptcy and outstanding debts of federal or state taxes. When the federal law differs from the state wage garnishment law, the smaller garnishment amount must be followed.

Care should be taken to stay from the evil of garnishment. In some cases this situation occurs when a letter is received form the IRS department 20 days before the garnishment date. That time if the person goes to the IRS and explains the problem and repayment schedule or apologize and seeks more time for repayment then the problem at hand can be solved. If the creditor also has a problem he also needs to go to the court and seek an order for garnishment. Thus if the reason explained by the debtor is genuine then the department chalks out a repayment plan. But if the second chance of the repayment is also defaulted then further garnishment proceedings and called for.