PROCESS OF GARNISHMENT

ATTACHMENT A

Instructions for Determining the Percentage of Wages, Salary or Other Compensation to be Withheld.

I. **GARNISHMENTS TO COLLECT JUDGMENTS ARISING FROM SITUATIONS OTHER THAN CONSUMER LOANS, CONSUMER CREDIT SALES OR CONSUMER LEASES ARE SUBJECT TO THE RESTRICTIONS OF:** §6-10-7, Code of Alabama 1975, and Title 15, §1673, United States Code ("U.S.C."). Under Alabama and federal law, the amount subject to garnishment to collect such judgments shall not exceed the **LESSER** of:

(1) twenty-five (25) percent of "disposable earnings" for the week **OR**

(2) the amount by which "disposable earnings" for the week exceed thirty (30) times the federal minimum hourly wage in effect at the time the earnings are payable.

II. **GARNISHMENTS TO COLLECT JUDGMENTS ARISING FROM CONSUMER LOANS, CONSUMER CREDIT SALES OR CONSUMER LEASES ARE SUBJECT TO THE RESTRICTIONS OF:** §5-19-15, Code of Alabama, 1975 as amended by Act 88-294, effective April 12, 1988.

A. Under this law, **if the debt or demand was created ON OR AFTER April 12, 1988**, the amount subject to garnishment shall not exceed the LESSER of:

(1) twenty-five (25) percent of "disposable earnings" for the week **OR**

(2) the amount by which "disposable earnings" for the week exceed thirty (30) times the federal minimum hourly wage in effect at the time the earnings are payable.

B. **If the debt or demand was created BEFORE April 12, 1988,** the amount subject to garnishment shall not **exceed the LESSER** of:

(1) twenty (20) percent of "disposable earnings" for the week **OR**

(2) the amount by which "disposable earnings" for the week exceed fifty (50) times the federal minimum hourly wage in effect at the time the earnings are payable.

DISPOSABLE EARNINGS DEFINED: An employee's "disposable earnings" means that part of earnings of an individual remaining after deduction of amounts required by law to be withheld such as Federal Income Tax, Federal Social Security Tax, and State and Local Taxes.