

NOTICE OF GARNISHMENT HELP SHEET

ABC WIDGET COMPANY
1354 Widget Road
Widgeta, NL

Re: **Mrs. X vs Mr. Y**

TAKE NOTICE THAT pursuant to the provisions of the *Support Orders Enforcement Act, 2006*:

1. You are required to pay to the Director of Support Enforcement at P.O. Box 2006, Corner Brook, NL, A2H 6J8, the monies due from you to:

Mr. X
1234 No Name Road
SIN: XXX-XXX-XXX DOB: XXX

as due on the date of this notification, subject to exemptions in paragraph 4 and in the amount required under paragraph 3.

2. You are required to remit to the Director of Support Enforcement the monies from time to time accruing due to {DEBTOR_NAME} after the date of this notification, subject to the exemptions in paragraph 4 and the amount required under paragraph 3.

3. Monies required to be held by you and to be paid to the Director **are:**

Arrears in the amount of **\$1,000.00**, payable immediately, plus

<u>Amount</u>	<u>Frequency/Type</u>	<u>Next Payment Due</u>
\$250.00	Support Monthly	July 1, 20XX

NOTE: The above amounts, if not paid, are **cumulative.**

4. Exemptions

a) Federal Statutory Deductions

b) Salaries, wages, income or any other monies payable by you are to be deducted at a rate of **50% of net pay** but cannot exceed the amounts claimed in paragraph 3.

5. All monies held by you in accordance with this Notice *are to be paid to the Director within 7 days of its deduction.*

6. If you dispute this garnishment you are required to file the Statement of Dispute enclosed herein with the Director within 10 days of service of this notification.

7. This Notice of Garnishment is issued in respect of support.

8. You are also required to immediately deliver to the Debtor personally or by ordinary mail the enclosed copy of this Notice.

9. If you fail to obey this Notice, the Director is entitled to seek a court judgment against you for the amount unpaid and the costs incurred by the Director.

Comment [GU1]: This paragraph will tell you the amount of arrears that are outstanding and payable immediately if there are sufficient funds available after allowing for statutory deductions, IT, EI, CPP and the maximum deduction % listed in paragraph 4.

Step 1 – Calculate Net Pay

Gross Pay = \$1000.00
(P4a) IT/ CPP/EI = \$ 250.00
Net Pay = \$ 750.00

Step 2 – Apply garnishment rate to amount calculated in step 1

(P4b) 50% X 750.00 = \$375.00

Step 3 – Compare the amount calculated in Step 2 (\$375.00) with the total of the arrears due immediately + the next payment amount (\$1250.00). If it is greater than this amount you have exceeded the maximum allowed. If it is equal to or less then you remit the calculated amount. In this case you would remit \$375.00.

Comment [GU2]: If the total of the remittance calculated above is less than the total of the arrears due immediately + the next payment due, then bring forward the difference to the next deduction period. In the example above the deduction of \$375.00 is less than the \$1250.00 required so (\$1250.00 - \$375.00) = \$900.00 is carried forward to the next deduction period. You keep deducting at 50% until this calculation reaches zero; after that you take the lesser of 50% and the \$250.00 per month on going support.

Comment [GU3]: This example is 50% of net pay; however the percentage can vary or could be eliminated in favour of a fixed amount to deduct per pay in certain circumstances.

Comment [GU4]: This is the time frame for remittances and must be complied with.