

State of Collaboration

Garnishments: Income Execution Process

Presented By Kathy Canetto



NYS COMPTROLLER
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What You'll Learn

- Examples of Income Executions
- Income Execution Process
- Disposable Earnings
- Support Orders
- Maximum Deduction Allowed
- Chapter 13 Bankruptcy
- Federal Levies
- Garnishment Facts
- Reports
- Contacting OSC



Examples of Income Executions

- Child Support/Spousal Support/Arrears
- Federal Levy
- Federal & State Student Loans
- NYS Tax Levy
- Creditor Garnishments issued from a Sheriff, Marshal or Constable



Income Execution Process

- The Serving Officer sends the Income Execution Order to OSC.
- OSC enters the garnishment information into PayServ.
- Control-D reports are created:
 - NBEN744 Child Support/Chapter 13 Bankruptcy
 - NBEN 745 Creditor Garnishment
 - NBEN 746 Federal Levy

OSC has 14 days to enter orders other than Federal Tax Levies.



Disposable Earnings

The amount of pay remaining after legally required deductions:

- Federal & State Tax
- Retirement Contributions

Note: The legally required deductions may be different for different types of garnishments.



Support Orders

NYS Civil Practice Law and Rules describes Disposable Earnings in this case as Earnings minus taxes and retirement.

Max Allowable Deduction for Support Orders Varies:

- 1 Child Support/No Arrears – 60% of disposable earnings
- 1 Child Support/Arrears/less than 12 weeks 60% disposable earnings
- 1 Child Support/Arrears/greater than 12 weeks 65% disposable earnings
- 2+ Child Support/No Arrears- 50% of disposable Earnings
- 2+ Child Support/Arrears/less than 12 weeks 50% of disposable earnings
- 2+ Child Supports/Arrears/greater than 12 weeks 55% disposable earnings



Maximum Deduction Allowed

Regular Garnishments, i.e. Sheriff, Marshall or Constable:

- 10% of gross or the “gen de” rule (whichever benefits employee when a child support is active)

Student Loans

- 15% of disposable earnings. Only the first of these garnishment types to be filed will receive 15%; the other will get the remaining 10% (cannot exceed 25%).

NYS Tax Levies

- 10% of gross



Chapter 13 Bankruptcy

- These orders are received from a Trustee with a requested flat amount to be deducted.
- If the employee earnings are not enough to cover the full requested amount, PayServ will take whatever is available from the pay check.
- We do not accept Chapter 7 or Chapter 11 Bankruptcy orders.



Federal Levies

Full Federal Levy

- When OSC receives a Full Federal Levy on an employee, an informational packet is mailed to the employee at the home address listed in PayServ.
- We hold these for 14 days after the packet is mailed to allow the employee time to respond.
- The employee can choose to make arrangements directly with the IRS OR submit the enclosed exemption claim form back to OSC. If no modification is received from IRS, the full levy is entered.



Federal Levies

Partial Federal Levy

- These are received on IRS 668-D forms with no exemption and have a flat amount to be deducted.

We do not accept the voluntary IRS forms 3676 and 2159.



Garnishments Deducted Paychecks Dated September 4, 2019

Child Support/Maintenance - \$703,123.42

Regular Garnishees - \$234,535.45

Federal Levies- \$11,455.17



Garnishment Facts

1. OSC does NOT know when a garnishment will stop.
2. OSC does NOT accept voluntary garnishments.
3. OSC will not complete a garnishment without a release from the serving officer.



Reports

The following Control-D reports are available on Mondays for agency file and employee notification:

- NBEN744 Child Support/Chapter 13 Bankruptcy
- NBEN 745 Creditor Garnishment
- NBEN 746 Federal Levy

*Please note:

- These reports ONLY reflect NEW orders.
- The Judgement Amount listed is Principal only, which does NOT include interest, poundage or filing fees.
- Employees are encouraged to contact the serving officer for balances.



Garnishment Questions

Agency payroll officers and/or employees can contact OSC Garnishment/ Customer Service at **(518) 474-4042**.

Hours of operation:

Monday and Friday 9am-3:00pm

Tuesday, Wednesday and Thursday 1:30pm-3:00pm

Email: payrolldeduction@osc.ny.gov

Fax: **(518) 486-7901**

Mail: **OSC Garnishments, PO Box 10128, Albany, NY 12201**

