

PUBLIC CHAPTER NO. 695

SENATE BILL NO. 3156

By Southerland, Berke, Marrero

Substituted for: House Bill No. 3031

By Hawk

AN ACT to amend Tennessee Code Annotated, Section 26-2-404(b), relative to garnishment calculations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 26-2-404, is amended by deleting subsection (b) in its entirety and substituting instead the following:

(b) The amount of wages withheld in a garnishment depends upon whether the judgment is for child support or alimony or for some other debt. The two (2) ways to calculate the withholding are outlined below. For purposes of these calculations, "fmw" means the federal minimum hourly wage.

ANSWER OF GARNISHEE (Employer) Docket/Case #

[GARNISHMENT CALCULATION: TCA 26-2-404(b), as defined in TCA 26-2-216]

Pay period from _____ to _____

(1) IF THE JUDGMENT IS FOR ANY DEBT OTHER THAN FOR ALIMONY OR CHILD SUPPORT:

(A) What is total gross pay before any deductions? \$____(b)(1)(A)

(B) How much is deducted from pay for social security and federal income tax? _____(b)(1)(B)

(C) Subtract subdivision (b)(1)(B) from subdivision (b)(1)(A).

This is disposable earnings. _____(b)(1)(C)

(D) Are wages paid once every week, once every two (2) weeks, once a month or two (2) times per month? (fmw=federal minimum hourly wage)

If once every week, enter 30 X fmw.

____(b)(1)(D)

If once every two (2) weeks, enter 30 X fmw X 2.

____(b)(1)(D)

If two (2) times per month, enter 30 X fmw X 2.166667.

____(b)(1)(D)

If once per month, enter 30 X fmw X 4.333334.

____(b)(1)(D)

(E) Subtract subdivision (b)(1)(D) from subdivision (b)(1)(C).

____(b)(1)(E)

If subdivision (b)(1)(E) is \$0 or less, STOP.

NO WAGES MAY BE WITHHELD.

If subdivision (b)(1)(E) is more than \$0, go on to (F).

(F) Divide subdivision (b)(1)(C) by 4.

____(b)(1)(F)

(G) Enter the lesser of subdivision (b)(1)(E) or subdivision (b)(1)(F).

____(b)(1)(G)

(H) How many children does the debtor have under sixteen (16) years of age living in Tennessee?

____(b)(1)(H)

(I) Multiply subdivision (b)(1)(H) by \$2.50 per week [\$5.00 if wages are paid every two (2) weeks; \$5.42 if paid two (2) times per month; and \$10.83 if paid once per month].

____(b)(1)(I)

(J) Subtract subdivision (b)(1)(I) from subdivision (b)(1)(G). This is the amount of wages to withhold. If this amount is \$0 or less, nothing should be withheld from wages.

\$ ____ (b)(1)(J)

(2) IF THE JUDGMENT IS FOR CHILD SUPPORT OR ALIMONY:

(A) If the judgment is for alimony and the ex-spouse has remarried, withhold the amount in subdivision (b)(1)(J).

\$ ____

(B) If the judgment is for child support, or the judgment is for alimony and the ex-spouse has not remarried, multiply disposable earnings (subdivision (b)(1)(C)) by:

____ .50 if the employee is supporting another spouse or child and the arrearage is less than twelve (12) weeks old;

____ .55 if the employee is supporting another spouse or child and the arrearage is more than twelve (12) weeks old; _____

____ .60 if the employee is NOT supporting another spouse or child and the arrearage is less than twelve (12) weeks old; _____

____ .65 if the employee is NOT supporting another spouse or child and the arrearage is more than twelve (12) weeks old. _____

Withhold this amount (in preceding blank) from wages, or the amount actually ordered to be paid for alimony or child support, whichever is less. \$ _____

- Nothing due employee
- No longer employed
- Other _____

As of the ____ day of _____, 20__,
 _____, Garnishee,
 is holding the sum of \$_____.

I certify under penalty of perjury that the above information is true and correct. Date: _____

GARNISHEE/EMPLOYER

SECTION 2. This act shall take effect on July 1, 2008, the public welfare requiring it.

PASSED: March 24, 2008



RON RAMSEY
SPEAKER OF THE SENATE



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 7th day of April 2008



PHIL BREDESEN, GOVERNOR