

SCHEDULES

SCHEDULE 5

Sections 15 and 16.

DEDUCTIONS BY EMPLOYER UNDER ATTACHMENT OF EARNINGS ORDER

PART I

SCHEME OF DEDUCTIONS

Preliminary definitions

- 1 The following three paragraphs have effect for defining and explaining, for purposes of this Schedule, expressions used therein.
- 2 " Pay-day ", in relation to earnings paid to a debtor, means an occasion on which they are paid.
- 3 " Attachable earnings", in relation to a pay-day, are the earnings which remain payable to the debtor on that day after deduction by the employer of—
- (a) income tax ;
 - (b) contributions under any of the following enactments—
 - the National Insurance Act 1965,
 - the National Insurance (Industrial Injuries) Act 1965, or
 - the National Health Service Contributions Act 1965 ;
 - (c) amounts deductible under any enactment, or in pursuance of a request in writing by the debtor, for the purposes of a superannuation scheme within the meaning of the Wages Councils Act 1959.
- 4 On any pay-day—
- (a) "the normal deduction" is arrived at by applying the normal deduction rate (as specified in the relevant attachment of earnings order) with respect to the period since the last pay-day or, if it is the first pay-day of the debtor's employment with the employer, since the employment began; and
 - (b) " the protected earnings" are arrived at by applying the protected earnings rate (as so specified) with respect to the said period.

Employer's deduction (judgment debts and administration orders)

- 5 In the case of an attachment of earnings order made to secure the payment of a judgment debt or payments under an administration order, the employer shall on any pay-day—
- (a) if the attachable earnings exceed the protected earnings, deduct from the attachable earnings the amount of the excess or the normal deduction rate, whichever is the less ;
 - (b) make no deduction if the attachable earnings are equal to, or less than, the protected earnings.

Status: This is the original version (as it was originally enacted).

Employer's deduction (other cases)

- 6 (1) The following provision shall have effect in the case of an attachment of earnings order to which paragraph 5 above does not apply.
- (2) If on a pay-day the attachable earnings exceed the sum of—
- (a) the protected earnings ; and
 - (b) so much of any amount by which the attachable earnings on any previous pay-day fell short of the protected earnings as has not been made good by virtue of this sub-paragraph on another previous pay-day,
- then, in so far as the excess allows, the employer shall deduct from the attachable earnings the amount specified in the following sub-paragraph.
- (3) The said amount is the sum of—
- (a) the normal deduction ; and
 - (b) so much of the normal deduction on any previous pay-day as was not deducted on that day and has not been paid by virtue of this sub-paragraph on any other previous pay-day.
- (4) No deduction shall be made on any pay-day when the attachable earnings are equal to, or less than, the protected earnings.

PART II

PRIORITY AS BETWEEN ORDERS

- 7 Where the employer is required to comply with two or more attachment of earnings orders in respect of the same debtor, all or none of which orders are made to secure either the payment of judgment debts or payments under an administration order, then on any pay-day the employer shall, for the purpose of complying with Part I of this Schedule.—
- (a) deal with the orders according to the respective dates on which they were made, disregarding any later order until an earlier one has been dealt with ;
 - (b) deal with any later order as if the earnings to which it relates were the residue of the debtor's earnings after the making of any deduction to comply with any earlier order.
- 8 Where the employer is required to comply with two or more attachment of earnings orders, and one or more (but not all) of those orders are made to secure either the payment of judgment debts or payments under an administration order, then on any pay-day the employer shall, for the purpose of complying with Part I of this Schedule—
- (a) deal first with any order which is not made to secure the payment of a judgment debt or payments under an administration order, (complying with paragraph 7 above if there are two or more such orders); and
 - (b) deal thereafter with any order which is made to secure the payment of a judgment debt or payments under an administration order as if the earnings to which it relates were the residue of the debtor's earnings after the making of any deduction to comply with an order having priority by virtue of sub-paragraph (a) of this paragraph ; and
 - (c) if there are two or more orders to which sub-paragraph (b) of this paragraph applies, comply with paragraph 7 above in respect of those orders.