



Attachment of earnings – Guidance for employers

This guidance has been prepared to help employers with the administration of council tax attachment of earnings orders.

A liability order has been obtained at a magistrates court in respect of your employees council tax. As they have failed to maintain or make an adequate arrangement for payment the council is now serving an attachment of earnings order upon you, to collect the sum owed.

If you no longer employ this individual, please notify this office immediately, giving the new employment details if known.

If you wish to make payment by BACS the council's details are as follows;

Bank	National Westminster Bank PLC
Sort code	60-05-24
Account number	26121255
Reference	Please quote council tax account number or liability order number

Council Tax account number (eight digits commencing with 3)

Please send a payment advice to recovery@chichester.gov.uk

Additional information can be obtained from:

Guidance www.hmcourts-service.gov.uk
<https://moneysoft.co.uk/pdf/AEhandbook.pdf> (pages 31 to 46)

Legislation www.opsi.gov.uk

Summary of the duties of employers

Deductions should begin as soon as possible after the receipt of the order.

Deductions should be forwarded by the 19th day of the month following the month in which the deduction was made.

You must inform your employee in writing about each deduction, when they are given their pay statement.

Your administration costs (£1 per transaction) deducted must be indicated on the pay statement.

If you no longer employ this individual, you must notify this office in writing within 10 days, giving the new employment details if known.

A council tax attachment of earnings order is a legal document and places certain duties on employers.

An employers could be liable to a fine if he/she:

- a) Fails to comply with the order unless he/she can prove all reasonable steps were taken to comply.
- b) Fails to give all required notifications relating to the order
- c) In giving notification makes a statement which he/she knows to be false in a material or particular or recklessly makes a statement which is false in a material particular.

Deduction tables to be made under an attachment of earnings order for council tax attachment of earnings made on or after 1 April 2007

Table 1 - Deductions from **weekly** earnings

(1) Net Earnings	(2) Deduction rate (percentage)
Not exceeding £75	0%
Exceeding £75 but not exceeding £135	3%
Exceeding £135 but not exceeding £185	5%
Exceeding £185 but not exceeding £225	7%
Exceeding £225 but not exceeding £355	12%
Exceeding £355 but not exceeding £505	17%
Exceeding £505	17% in respect of the first £505 & 50% in respect of the remainder

Table 2 – Deductions from **monthly** earnings

(1) Net Earnings	(2) Deduction rate (percentage)
Not exceeding £300	0%
Exceeding £300 but not exceeding £550	3%
Exceeding £550 but not exceeding £740	5%
Exceeding £740 but not exceeding £900	7%
Exceeding £900 but not exceeding £1420	12%
Exceeding £1420 but not exceeding £2020	17%
Exceeding £2020	17% in respect of the first £2020 & 50% in respect of the remainder

Table 3 – Deductions based on **daily** earnings

(1) Net Earnings	(2) Deduction rate (percentage)
Not exceeding £11	0%
Exceeding £11 but not exceeding £20	3%
Exceeding £20 but not exceeding £27	5%
Exceeding £27 but not exceeding £33	7%
Exceeding £33 but not exceeding £52	12%
Exceeding £52 but not exceeding £72	17%
Exceeding £72	17% in respect of the first £72 & 50% in respect of the remainder

How do I know which table to use?

Since the majority of people are paid at regular intervals, this should normally be straight forward but there will be case of irregular payment. The examples listed below may help you to decide which deductions should be made.

Weekly

If the person is paid weekly, then deductions should be made in line with Table A.

Monthly

If the person is paid monthly, then deductions should be made in line with Table B.

Other weekly intervals

If the person is paid at intervals of a whole number of weeks, then the net earnings should be divided by the number of weeks in the pay period. Table A should then be used to work out the appropriate weekly deductions and the resulting amount multiplied by the number of weeks in the period.

More than one month

If a person is paid at intervals of a whole number of months, the net earnings should be divided by the number of months in the pay period. Table B should then be used to work out the appropriate monthly deduction and the resulting amount multiplied by the number of months in the period.

Regular intervals – Not whole weeks or months

If a person is paid at regular intervals, but not at intervals of a whole number of weeks or months, then net earnings should be divided by the number of days. Table C should then be used to work out the appropriate daily rate, which should then be multiplied by the number of days in the period.