



*Knowsl@y Council*

# **COUNCIL TAX**

## **ATTACHMENT OF EARNINGS ORDERS**

**Guidance notes for Employers**

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## **Council Tax – Attachment of Earnings Orders**

### **Guidance Notes for Employers**

Issued by:

Knowsley Metropolitan Borough Council  
Municipal Buildings  
Cherryfield Drive  
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L32 1TX

The following notes have been prepared to guide employers through the procedure for dealing with Council Tax Attachment of Earnings Orders. Should you require any further information about Council Tax Attachment of Earnings Orders, you can write to the above address, send an e-mail to [Local.taxation@knowsley.gov.uk](mailto:Local.taxation@knowsley.gov.uk) or telephone (0151) 443 4476.

Alternatively, the full HMCS guidance is available to download at

<http://www.communities.gov.uk/publications/localgovernment/attachmentordersemployers>

### **Explanatory Notes**

#### **1. What is an Attachment of Earnings Order and why has it been sent?**

An Attachment of Earnings Order is an instruction to make deductions from the earnings of an employee who has defaulted in paying his or her Council Tax. The order is comprised of the outstanding amount in respect of a Liability Order made by the Magistrates Court &/or certain costs incurred by the Council in attempting to levy distress or applying for a committal to prison warrant. The order has been sent to you because it appears that the person named in the order is in your employment.

#### **2. What must the employer do?**

If the person named in the order is in your employment you must make deductions from his or her earnings and pay the amounts deducted to Knowsley Metropolitan Borough Council by the 19<sup>th</sup> day of the month following the month in which the deduction was made e.g. deductions made throughout June should be sent to the Council by 19<sup>th</sup> July. As well as the amounts deducted & paid to the Council you MAY also deduct £1.00 from the employee towards administration costs every time a deduction is made.

### **3. Does my employee know that I have to deduct money from his/her earnings, how much and when?**

A copy of the order for the total outstanding amount has been sent to your employee. Guidance notes have also been sent to the person named on the order.

### **4. Must I tell the employee each time that I make a deduction?**

Yes. Every time you make a deduction under this order you must give the employee a written statement of the amount which has so far been deducted, including the amount deducted towards your administrative costs or the outstanding balance to be repaid to the Council. The notice must either be issued with the next pay statement or wage slip after the deduction, or if a pay statement or wage slip is not normally issued, as soon as possible after the deduction is made. **If you do not provide such a statement you may be prosecuted and fined.**

### **5. How long do I have to make deductions for?**

You must make deductions on every normal pay day until:

- (i) The amount stated in the order has been paid in full to Knowsley MBC, or
- (ii) The person named on the order leaves your employment, or
- (iii) The Council tells you that the order has been discharged.

### **6. What happens if I do not comply with the order?**

Failure to comply is a criminal offence punishable by a fine.

### **7. How much will be deducted?**

Deductions are based on 'Net Pay' which may not be the same as take home pay. For the purposes of the order, net earnings means after deductions for:

- (i) Income Tax
- (ii) Primary Class 1 National Insurance Contributions
- (iii) Superannuation contributions and
- (iv) Any deduction as a result of an Attachment of Earnings with a higher priority.

### **8. How do I calculate the deductions?**

Use the table in page 6. Please note the deductions are net earning percentages NOT set amounts.

#### **(i) Weekly Paid – Use Table A**

If someone is paid every week, find the appropriate wage band in column 1 and the appropriate % deduction in column 2

#### **(ii) Monthly Paid – Use Table B**

If someone is paid every month, find the appropriate wage band in column 1 and the appropriate % deduction in column 2

#### **(iii) Other weekly intervals**

If a person is paid at intervals of a whole number of weeks then net earnings should be divided by the number of weeks in the period. Work out one week using Table A and multiply by the number of weeks in the period

**Example:** The net pay for a period of 7 weeks is £770:  $\text{£}770 / 7 \text{ weeks} = \text{£}110$   
 $\text{£}110 \times 3\% \text{ (Table A)} = \text{£}3.30 \times 7 \text{ weeks} = \text{£}23.10 \text{ total deduction.}$

#### **(iv) Other monthly instalments**

If a person is paid at intervals of a whole number of months then the net earnings should be divided by the number of months in the period. Work out one month using Table B and multiply by the number of months in the period.

**Example:** The net pay for a period of 5 months is £2500:  $£2500 / 5 \text{ months} = £500$   
 $£500 \times 3\%$  (Table B) =  $£15 \times 5 \text{ months} = £75$  total deduction.

**(v) 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 the net earnings should be divided by the number of days in the period. Work out one day using Table C and multiply by the number of days in the period.

**Example:** Pay period, every 30 days, net pay for the period £660:  $£660 / 30 \text{ days} = £22$   
 $£22 \times 5\%$  (Table C) =  $£1.10 \times 30 \text{ days} = £33.00$  total deduction.

**(vi) A series of two or more payments at regular intervals**

If a person is regularly paid at two intervals, e.g. £150 per week and £600 per month, deductions should be made by using the tables to work out the appropriate deductions for the series with the shortest period between payments (i.e. weekly) and deductions of 20% of net earnings must be made from any other regular payment (i.e. monthly)

**Example:** £150 per week = deduction of £7.50 (Table A)  
and £600 per month = deduction of £120 (20% of £600).

However, if the shortest interval is the same for more than one series, e.g. two regular payments, £100 per week and £140 per week, the tables should be used to make deductions from only one of the series payments. You can choose which one. All others should be subject to a 20% deduction.

**(vii) Irregular Intervals**

If the person is paid at irregular intervals, divide the amount payable by the number of days since the last payment, or the number of days since he or she started work, if it is the persons first pay day. Table C should be used to work out the appropriate daily deduction, multiply this by the number of days in the period

**Example:** Net pay £1219 from 21 June 2007 to 12 August 2007 = 53 days  
 $£1219 / 53 \text{ days} = £23 \times 5\%$  (Table C) =  $£1.15 \times 53 = £60.95$  total deduction

**(viii) Regular and irregular at the same interval**

If on the same pay day a person is paid regular period earnings (£200 normal net weekly) and irregular period earnings (£50 for a one off task), the amounts should be added together and treated as regular interval earnings, using the tables to work out the deductions.

**(ix) Regular and irregular payments at different intervals**

Given the same circumstances as in (viii) but where the net weekly amount of £200 is paid on one day and the bonus of £50 is paid separately on another day, use the tables to work out the regular pay and deduct 20% from the irregular pay

**Example:**  $£200$  (normal net weekly pay)  $\times 7\%$  (table A) =  $£14.00$  deduction plus  $£50$  bonus (paid every 15 days)  $\times 20\%$  =  $£10$  deduction.

### **9. What do I deduct if there is an advance for holiday pay?**

The amount to be deducted is the combined total of:

- (i) The amount that would have been deducted from the net pay if there had been no holiday pay, and
- (ii) the amounts that would have been deducted if the amount advanced had been paid on the normal pay day or days.

**Example:** An employee received £650 on pay day - £250 (normal net weekly pay including £50 overtime) and £400 (2 weeks of £200 holiday advance).

Deductions should be made as follows:

£250 x 12% = £30.00

£200 x 12% = £14.00

£200 x 12% = £14.00 Total deduction = £58.00

### **10. How should I deal with loans made for other purposes?**

Loans made for purposes such as season travel tickets or help moving house are not advances of pay and should not be counted as earnings when the loan advance is paid to the employee. When repayment of the loan is taken out of the employees earnings it must be ignored in the calculation of net pay for the purposes of calculating the amount to be deducted under the order, i.e. the deduction should be based on net earnings before any loan repayment.

**Example:** Net weekly pay = £250.00.

Loan Repayment for moving house = £80

Net pay after above deductions = £170

Deduction under the order is £250 x 12% = £30

(the deduction is based on net earnings before any loan repayment).

### **11. What do I do if there is already a current attachment of earnings order in force?**

Generally, attachment of earning orders under the Regulations and "deduction orders" (i.e. orders under the Attachment of Earnings Act 1971 or the Child Support Act 1991) are to be dealt with by employers in chronological order, with later orders processed on the basis that earnings are what is left after deductions have been made in respect of an earlier order or orders. However, a Council Tax Attachment of Earnings Order will have priority over 1971 Act orders which deal with judgement debts or payments under an Administration Order. Under a change in the regulations with effect from 1 October 1998, only two orders can be in place for this authority at one time. If you receive another order you must deal with them in order, deducting the appropriate amount in respect of the first order and then deducting this figure to arrive at the net earnings figure for the second order. Please contact if you require further advice.

### **12. What if the person named on the order has never worked here or stops working here?**

You must inform the Director for Resources and Support that this is the case;

- (i) Within 14 days of the order if the person has never worked for you, or
- (ii) If they leave your employment, within 14 days of the last date that they worked for you.

Please complete and return the form found at the back of these notes if the person has left your employment or has never worked for you. **Failure to do the above could lead to you being prosecuted and fined**

### **13. Can deductions be made from Statutory Maternity Pay?**

No, because Statutory Maternity Pay is payable under the Social Security Contributions & Benefits Act 1992, therefore it is specifically excluded from the Attachment of Earnings Orders.

**14. Can deductions be made from redundancy payments?**

No, redundancy payments cannot be the subject of an Attachment of Earnings Order as they are not emoluments (salary, fee or profit from employment or office), they are compensation for the loss of right which a long term employee has in his or her job, and therefore also is not subject to Income Tax or National Insurance Contributions. Please note, redundancy payments are clearly different, for example to severance payments, i.e. payment for the early termination of a contract period, which can be subject to an Attachment of Earnings Order.

**15. What do I deduct if there is backdated pay?**

This situation is covered by the regulations which state "Where on the same payday there are payable to the debtor by the employer both earnings payable at regular intervals and earnings payable at irregular intervals, for the purpose of arriving at the sum to be deducted on the payday under the foregoing provisions of this regulation all the earnings shall be aggregated and treated as earnings payable at the regular interval. Thus, the back pay should be included in the calculation of the deduction.

**Example:** A debtor with an Attachment to Earnings Order made in September has received back pay in October for a pay rise awarded from April. The employer should treat the full balance as October's salary and deduct accordingly. It is irrelevant that part of the pay due to him was from before the Attachment of Earnings Order was made.

### Deductions to be made under an Attachment of Earnings Order

The following tables set out the level of deductions to be made under an Attachment of Earnings Order, as determined by the Schedule to the Council Tax (Administration & Enforcement) Regulations (1992) (as amended).

#### Deduction tables for CTAEOs made before 1 October 1998

TABLE 1: Deductions from weekly earnings

Net Earnings	Deduction Rate %
Not exceeding £35	0%
Exceeding £35 but not exceeding £65	3%
Exceeding £65 but not exceeding £90	5%
Exceeding £90 but not exceeding £110	7%
Exceeding £110 but not exceeding £175	12%
Exceeding £175 but not exceeding £250	17%
Exceeding £250	17% in respect of the first £370 and 50% in respect of the Remainder

TABLE 2: Deductions from monthly earnings

Net Earnings	Deduction Rate %
Not exceeding £152	0%
Exceeding £152 but not exceeding £260	3%
Exceeding £260 but not exceeding £360	5%
Exceeding £360 but not exceeding £440	7%
Exceeding £440 but not exceeding £700	12%
Exceeding £700 but not exceeding £1,000	17%
Exceeding £1,000	17% in respect of the first £1,000 and 50% in respect of the remainder

TABLE 3: Deductions from daily earnings

Net Earnings	Deduction Rate %
Not exceeding £5	0%
Exceeding £5 but not exceeding £9	3%
Exceeding £9 but not exceeding £13	5%
Exceeding £13 but not exceeding £16	7%
Exceeding £16 but not exceeding £25	12%
Exceeding £25 but not exceeding £36	17%
Exceeding £36	17% in respect of the first £36 and 50% in respect of the Remainder

## Deduction tables for CTAEOs made between 1 October 1998 and 31 March 2007

TABLE 1: Deductions from weekly earnings

Net Earnings	Deduction Rate %
Not exceeding £55	0%
Exceeding £55 but not exceeding £100	3%
Exceeding £100 but not exceeding £135	5%
Exceeding £135 but not exceeding £165	7%
Exceeding £165 but not exceeding £260	12%
Exceeding £260 but not exceeding £370	17%
Exceeding £370	17% in respect of the first £370 and 50% in respect of the Remainder

TABLE 2: Deductions from monthly earnings

Net Earnings	Deduction Rate %
Not exceeding £220	0%
Exceeding £220 but not exceeding £400	3%
Exceeding £400 but not exceeding £540	5%
Exceeding £540 but not exceeding £660	7%
Exceeding £660 but not exceeding £1,040	12%
Exceeding £1,040 but not exceeding £1,480	17%
Exceeding £1,480	17% in respect of the first £1,480 and 50% in respect of the remainder

TABLE 3: Deductions from daily earnings

Net Earnings	Deduction Rate %
Not exceeding £8	0%
Exceeding £8 but not exceeding £15	3%
Exceeding £15 but not exceeding £20	5%
Exceeding £20 but not exceeding £24	7%
Exceeding £24 but not exceeding £38	12%
Exceeding £38 but not exceeding £53	17%
Exceeding £53	17% in respect of the first £53 and 50% in respect of the Remainder

## Deduction tables for CTAEOs made on or after 1 April 2007

TABLE 1: Deductions from weekly earnings

Net Earnings	Deduction Rate %
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 and 50% in respect of the remainder

TABLE 2: Deductions from monthly earnings

Net Earnings	Deduction Rate %
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 £1,420	12%
Exceeding £1,420 but not exceeding £2,020	17%
Exceeding £2,020	17% in respect of the first £2,205 and 50% in respect of the remainder

TABLE 3: Deductions from daily earnings

Net Earnings	Deduction Rate %
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 and 50% in respect of the remainder

**Regulations 32 & 37 to 42 of the Council Tax (Administration and Enforcement) Regulations 1992  
(as amended):**

Interpretation and application of Part VI, Regulation 32 (1) In this Part

"attachment of allowances order" means an order under regulation 44;

"attachment of earnings order" means an order under regulation 37;

"charging order" means an order under regulation 50;

"debtor" means a person against whom a liability order has been made;

"earnings" means sums payable to a person -

- (a) By way of wages or salary (including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary or payable under a contract of service); or
- (b) By way of statutory sick pay, earnings, but, in so far as the following would otherwise be treated as earnings, they shall not be treated as such:
  - (i) sums payable by any public department of the Government of Northern Ireland or of a territory outside the United Kingdom;
  - (ii) pay or allowances payable to the debtor as a member of Her Majesty's forces, other than pay or allowances payable by his employer as a special member of a reserve force (within the meaning of the Reserve Forces Act 1996)
  - (iii) allowances or benefit payable under the Social Security Acts;
  - (iiia) a tax credit (within the meaning of the Tax Credits Act 2002)
  - (iv) allowances payable in respect of disablement or disability; and
  - (v) wages payable to a person as a seaman, other than wages payable to him as a seaman of a fishing boat;

"the Income Support Regulations" means the Council Tax (Deductions from Income Support) Regulations 1993

"liability order" means an order under regulation 34 or regulation 36A(5); and "net earnings" in relation to an employment means the residue of earnings payable under the employment after deduction by the employer of -

- (1) (a) income tax;
  - (b) primary Class 1 contributions under Part I of the Social Security Contributions and Benefits Act 1992; and
  - (c) amounts deductible under any enactment, or in pursuance of a request in writing by the debtor, for the purposes of a superannuation scheme, namely any enactment, rules, deed or other instrument providing for the payment of annuities or lump sum—
    - (i) to the persons with respect to whom the instrument has effect on their retirement at a specified age or on becoming incapacitated at some earlier age, or
    - (ii) to the personal representatives or the widows, widowers, surviving civil partners, relatives or dependants of such persons on their death or otherwise, whether with or without any further or other benefits, and where an order under regulation 32 (making of attachment earnings order) of the Community Charge (Administration and Enforcement) Regulations 1989 made before the making of the attachment of earnings order concerned remains in force
  - (d) any amount required to be deducted in accordance with that order.
- (2) In sub-paragraph (v) of the definition of "earnings" in paragraph (1) above expressions used in the Merchant Shipping Act 1894 have the same meanings as in that Act.
  - (3) Regulations 33 to 53 apply for the recovery of a sum which has become payable to a billing authority under Part V and which has not been paid; but their application in relation to a sum for which persons are jointly and severally liable under that Part is subject to the provisions of regulation 54 (joint and several liability).
  - (4) References in this Part to a sum which has become payable and which has not been paid include references to a sum forming part of a larger sum which has become payable and the other part

- of which has been paid
- (5) Any reference to this Part to the day on or time at which a notice is issued, is a reference-
- (a) if the notice is served in the manner described in Section 233(2) of the Local Government Act 1972 by being left at, or sent by post to, a persons proper address, to the day on or time at which it is so left or posted, or
  - (b) in any other case, to the day on or time at which the notice is served

### **Making of attachment of earnings order - Regulation 37**

- (1) Where a liability order has been made and the debtor against whom it was made is an individual, the authority which applied for the order may subject to paragraph (4) make an order under this regulation to secure the payment of the appropriate amount
- (1A) For the purposes of this regulation the appropriate amount is the aggregate of -
- (a) any outstanding sum which is or forms part of the amount in respect of which the liability order was made; and
  - (b) Where the authority concerned has sought to levy an amount by distress and sale of the debtor's goods under regulation 45 and the person making the distress has reported that he was unable (for whatever reason) to find any or sufficient goods of the debtor on which to levy the amount -
    - (i) a sum determined in accordance with Schedule 5 in respect of charges connected with the distress, and
    - (ii) if the authority has applied for the issue of a warrant committing the debtor to prison in accordance with regulation 47, the authority's reasonable costs incurred up to the time of the making of the order under regulation 37, in making one or more of the applications referred to in Schedule 6, but not exceeding the amount specified for that application in Schedule 6."
- (2) An order under this regulation—
- a) shall be in the form specified in (and accordingly contain the matters specified in) Schedule 3; and
  - b) shall remain in force until discharged under regulation 41(2) or the whole amount to which it relates has been paid (whether by attachment of earnings or otherwise).
- 3) The authority may serve a copy of the order on a person who appears to the authority to have the debtor in his employment; and a person on whom it is so served who has the debtor in his employment shall comply with it.
- 4) No order may be made under this regulation by an authority if the effect would be that the number of orders for the time being in force made by that authority in relation to the debtor in question exceeded two.

### **Deductions under attachment of earnings order - Regulation 38**

- (1) Subject to paragraphs (2) and (3), the sum to be deducted by an employer under an attachment of earnings order on any payday shall be—
- a) where the debtor's earnings from the employer are payable weekly, a sum equal to the appropriate percentage of the net earnings otherwise payable on that payday; and for this purpose the appropriate percentage is the percentage (or percentages) specified in column 2 of Table A in Schedule 4 in relation to the band in column 1 of that Table within which the net earnings fall;
  - b) where his earnings from the employer are payable monthly, a sum equal to the appropriate percentage of the net earnings otherwise payable on that payday; and for this purpose the appropriate percentage is the percentage (or percentages) specified in column 2 of Table B in that Schedule 4 in relation to the band in column 1 of that Table within which the net earnings fall;
  - c) where his earnings from the employer are payable at regular intervals of a whole number of weeks or months, the sum arrived at by—
    - (i) calculating what would be his weekly or monthly net earnings by dividing the net earnings

payable to him by the employer on the payday by that whole number (of weeks or months, as the case may be),

(ii) ascertaining the percentage (or percentages) specified in column 2 of Table A (if the whole number is of weeks) or of Table B (if the whole number is of months) in Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under paragraph (i) fall, and

(iii) calculating the sum which equals the appropriate percentage (or percentages) of the notional net earnings for any of those weeks or months and multiplying that sum by the whole number of weeks or months, as appropriate.

- (2) Where paragraph (1) applies and the amount to be paid to the debtor on any payday includes an advance in respect of future pay, the sum to be deducted on that payday shall be the aggregate of the amount which would otherwise fall to be deducted under paragraph (1) and -
- a) where the amount advanced would otherwise have been paid on a single payday, the sum which would have been deducted on that payday in accordance with paragraph (1) if the amount advanced had not been the amount of net earnings on that day; or
  - b) where the amount advanced would otherwise have been paid on more than one payday, the sums which would have been deducted on each of the relevant paydays in accordance with paragraph (1) if -
    - i) an equal proportion of the amount advanced had been paid on each of those days; and
    - ii) the net earnings of the debtor on each of those days had been an amount equal to that proportion.

(3) Where the amount payable to the debtor on any payday is reduced by reason of an earlier advance of pay or by reason of the repayment by the debtor of a loan made to him by his employer for any purpose, the net earnings of the debtor on that day shall, for the purposes of paragraph (1), be the amount defined in regulation 32(1) less the amount of the deduction.

(4) Subject to paragraphs (5) and (6), where the debtor's earnings from the employer are payable at regular intervals other than at intervals to which paragraph (1) applies, the sum to be deducted on any payday shall be arrived at by—

- a) calculating what would be his daily net earnings by dividing the net earnings payable to him by the employer on the payday by the number of days in the interval,
- b) ascertaining the percentage (or percentages) specified in column 2 of Table C in Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under sub-paragraph (a) fall, and
- c) calculating the sum which equals the appropriate percentage (or percentages) of the notional daily net earnings and multiplying that sum by the number of days in the interval.

(5) Where the debtor's earnings are payable as mentioned in paragraph (4), and the amount to be paid to the debtor on any payday includes an amount advanced in respect of future pay, the amount of the debtor's notional net earnings under sub-paragraph (a) of that paragraph shall be calculated in accordance with the formula:-  $\frac{A + B}{C + D}$

where

A is the amount of net earnings payable to him on that payday (exclusive of the amount advanced);

B is the amount advanced;

C is the number of days in the period for which the amount of net earnings is payable; and

D is the number of days in the period for which, but for the agreement to pay in advance, the amount advanced would have been payable.

(6) Paragraph (3) applies in relation to paragraph (4) as it applies in relation to paragraph (1).

(7) Where earnings are payable to a debtor by the employer by 2 or more series of payments at regular intervals—

- a) if some or all of the intervals are of different lengths—
  - i) for the purpose of arriving at the sum to be deducted, whichever of paragraphs (1), (2), (3), (4), (5) and (6) is appropriate shall apply to the series with the shortest interval (or, if there is

- more than one series with the shortest interval, such one of those series as the employer may choose), and
- ii) in relation to the earnings payable in every other series, the sum to be deducted shall be 20 per cent. of the net earnings or, where on any payday an amount advanced is also paid, 20 per cent. of the aggregate of the net earnings and the amount advanced;
  - b) if all of the intervals are of the same length, whichever of paragraphs (1), (2), (3), (4), (5) and (6) is appropriate shall apply to such series as the employer may choose and sub-paragraph (a) (ii) shall apply to every other series, above as it applies in relation to paragraph (1).
- 8) Subject to paragraphs (9) and (10), where the debtor's earnings from the employer are payable at irregular intervals, the sums to be deducted on any payday shall be arrived at by—
- a) calculating what would be his daily net earnings by dividing the net earnings payable to him by the employer on the payday—
    - i) by the number of days since earnings were last payable by the employer to him, or
    - ii) if the earnings are the first earnings to be payable by the employer to him with respect to the employment in question, by the number of days since he began the employment;
  - b) ascertaining the percentage (or percentages) specified in column 2 of Table C of Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under sub-paragraph (a) fall; and
  - c) calculating the sum which equals the appropriate percentage (or percentages) of the daily net earnings and multiplying that sum by the same number as that of the divisor for the purposes of the calculation mentioned in sub-paragraph (a).
- 9) Where on the same payday there are payable to the debtor by the employer both earnings payable at regular intervals and earnings payable at irregular intervals, for the purpose of arriving at the sum to be deducted on the payday under the foregoing provisions of this regulation all the earnings shall be aggregated and treated as earnings payable at the regular interval.
- 10) Where there are earnings payable to the debtor by the employer at regular intervals on one payday, and earnings are payable by the employer to him at irregular intervals on a different payday, the sum to be deducted on each of the paydays on which the earnings which are payable at irregular intervals are so payable shall be 20 per cent. of the net earnings payable to him on the day.

**Attachment of earnings orders: ancillary powers and duties of employers and others served -  
Regulation 39**

- (1) An employer who deducts and pays amounts under an attachment of earnings order may, on each occasion that he makes such a deduction, also deduct from the debtor's earnings the sum of one pound towards his administrative costs.
- (2) An employer who deducts and pays amounts under an attachment of earnings order shall, in accordance with paragraph (3), notify the debtor in writing of—
  - (a) the total amount of the sums (including sums deducted under paragraph (1)) deducted under the order up to the time of the notification; or
  - (b) the total amount of the sums (including sums deducted under paragraph (1)) that will fall to be so deducted after that time.
- (3) A notification under paragraph (2) must be given at the time that the pay statement given by the employer to the debtor next after a deduction has been made is so given, or if no such statements are usually issued by the employer, as soon as practicable after a deduction has been made.
- (4) A person on whom a copy of an attachment of earnings order has been served shall, in accordance with paragraph (5), notify in writing the authority which made the order if he does not have the debtor against whom it was made in his employment or the debtor subsequently ceases to be in his employment.
- (5) A notification under paragraph (4) must be given within 14 days of the day on which the copy of the order was served on him or the debtor ceased to be in his employment (as the case may be).
- (6) While an attachment of earnings order is in force, any person who becomes the debtor's employer and knows that the order is in force and by what authority it was made shall notify that authority in writing

that he is the debtor's employer.

- (7) A notification under paragraph (6) must be given within 14 days of the day on which the debtor became the person's employee or of the day on which the person first knows that the order is in force and the identity of the authority by which it was made, whichever is the later

#### **Attachment of earnings orders: duties of debtor - Regulation 40**

- (1) While an attachment of earnings order is in force, the debtor in respect of whom the order has been made shall notify in writing the authority which made it of each occasion when he leaves an employment or becomes employed or re-employed, and (in a case where he becomes so employed or re-employed) shall include in the notification a statement of—
- (a) his earnings and (so far as he is able) expected earnings from the employment concerned,
  - (b) the deductions and (so far as he is able) expected deductions from such earnings—
    - (i) in respect of income tax;
    - (ii) in respect of primary Class 1 contributions under Part I of the Social Security Contributions and Benefits Act 1992;
    - (iii) for the purposes of such a superannuation scheme as is mentioned in the definition of "net earnings" in regulation 32(1),
  - (c) the name and address of the employer, and
  - (d) his work or identity number in the employment (if any).
- (2) A notification under paragraph (1) must be given within 14 days of the day on which the debtor leaves or commences (or recommences) the employment (as the case may be), or (if later) the day on which he is informed by the authority that the order has been made.

#### **Attachment of earnings orders: ancillary powers and duties of authority - Regulation 41**

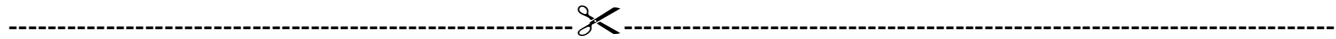
- (1) Where the whole amount to which an attachment of earnings order relates has been paid (whether by attachment of earnings or otherwise), the authority by which it was made shall give notice of the fact to any person who appears to it to have the debtor in his employment and who has been served with a copy of the order.
- (2) The authority by which an attachment of earnings order was made may, on its own account or on the application of the debtor or an employer of the debtor, make an order discharging the attachment of earnings order; and if it does so it shall give notice of that fact to any person who appears to it to have the debtor in his employment and who has been served with a copy of the order.
- (3) If an authority serves a copy of an attachment of earnings order in accordance with regulation 37(3), it shall (unless it has previously done so) also serve a copy of the order on the debtor.

#### **Priority as between orders - Regulation 42**

- (1) Where an employer would, but for this paragraph, be obliged to make deductions on any payday under more than one attachment of earnings order, he shall –
- (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; and
  - (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.
- (2) Subject to paragraph (3), where an employer would, but for this paragraph, be obliged to comply with one or more attachment of earnings order and with one or more deduction order, he shall deal with the orders
- (3) according to the respective dates on which they were made in like manner as under paragraph (1).
- (4) An employer shall not deal with a deduction order made either wholly or in part in respect of the payment of a judgement debt or payments under an administration order until he has dealt with the attachment of earnings order or orders and any other deduction order.
- (5) In this regulation "deduction order" means an order under the Attachment of Earnings Act 1971 or section 31 (2) (deductions from earnings orders) of the Child Support Act 1991.

In case of the employee leaving your employment, or not being in your employ, please notify my office by completing this form and sending it to the address detailed below, or emailing the information to [local.taxation@knowsley.gov.uk](mailto:local.taxation@knowsley.gov.uk)

The regulations containing Attachment of Earnings information state that your organisation can be prosecuted and fined if you do not inform my office within 14 days of the employee leaving.



**Knowsley Council**

Council Tax reference	
Name of Employee	
Date employment ceased	
Additional information which you may be able to provide	
New employer details (if known)	
Forwarding address (if applicable)	
Signature:	
Date:	
Position in organisation	
Company name / stamp	

Please return to : Knowsley MBC, Revenues Division, 3<sup>rd</sup> floor Municipal buildings, Cherryfield Drive, Kirkby, Merseyside, L32 1TX