



bankers' compliance group®

California “Middle Class Tax Refunds” Not Subject to Garnishment!

The California Middle Class Tax Refund payments that are scheduled to go out starting this month are not subject to garnishment orders, with the exception of orders in connection with child support, spousal support, family support, or a criminal restitution payable to crime victims. For purpose of the Middle Class Tax Refund program, “garnishment order” means a writ, order, notice, summons, judgment, levy, or similar written instruction issued by a court, a state or state agency, or a municipality or municipal corporation, including an order to freeze the assets in an account to effect a garnishment against a debtor. When served with such a garnishment, financial institutions are required to follow the same exemption procedure provided for under the Federal Benefits Exemption Rule (31 CFR Part 212). For more information on this exemption procedure, refer to Part One, Section I.F.2. of BCG Standard Procedures Manual #4, *Legal Processes*, or contact Keith Forrester with Aldrich & Bonnefin, PLC for specific guidance (KForrester@ABLAWYERS.COM).

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