

## FORM SUMMARY

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**Name of Form:** Earnings Garnishment - Exemption Notice

**Form Number:** CV-423

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**Statutory Reference:** §§812.34(2)(b) & (c), 812.37 and 812.44(4), Wis. Stats.

**Benchbook Reference:** CV 38

**Purpose of Form:** To give information to the debtor about the amount of the creditor's claims, the existence of exemptions, and notice about how to respond to the creditor's claim by delivering or mailing a copy of an answer (Earnings Garnishment--Debtor's Answer, CV-424) to the garnishee.

**Who Completes It:** Creditor

**Distribution of Form:** The original to the debtor

**Accompanying Forms:** The creditor must serve this document on the debtor along with the following:

- Earnings Garnishment (CV-422)
- Earnings Garnishment - Debtor's Answer (CV-424) **or**  
Garnishee Answer to Creditor (Earnings) SC-518
- Garnishment Exemption Worksheet (CV-426)
- Poverty Guidelines for Earnings (CV-427)

**New Form/Modification:** Modified; last update 10/10.

**Modifications:** On page 2 of the form, changed garnishee to garnishee/employer to make it clear that the garnishee is the debtor's employer and completed forms need to be provided to the "employer."

**Comments:** 2003 Act 138 deleted the language regarding a complete exemption where a garnishment of 20% of the debtor's disposable income would result in the debtor's household income falling below the poverty line. In its place, the Act **limits** the amount of disposable income available for garnishment to that amount of household income in excess of the poverty line before the garnishment is in effect.

The forms that were originally created tracked the statutes on garnishment. These forms did not take into consideration that there are three types of debts for which no exemption is allowed:

1. A debt amortization under section 128.21 or a bankruptcy order under 11 USC 1301 to 1330;
2. For the support of any person; or,
3. Unpaid taxes.

This omission has created some confusion among debtors who believe they have an exemption when they do not. RMC modified the form to indicate that the exemptions do not apply if the debt arises out of the one of the three circumstances.

**About this Form:**

This form is the product of the Wisconsin Records Management Committee, a committee of the Director of State Court's Office and a mandate of the Wisconsin Judicial Conference

**If you have additional information that does not change the meaning of the form, attach it on a separate page. The form itself shall not be altered**