



GEORGE W. LINDBERG
COMPTROLLER
STATE OF ILLINOIS

June 9, 1975

201 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706
217/782-6000

PAYROLL BULLETIN
(9-75)

TO: All State Agencies, Departments, Boards
and Commissions

SUBJECT: Wage Deductions Summonses and Wage Assignments

The purpose of this bulletin is to explain the difference between a Wage Deduction Summons (Garnishment) and a Wage Assignment.

A Wage Deduction Summons (Exhibit 1) is a court order directing the employer to withhold money from an employee's wages.

A Wage Assignment (Exhibit 2) is a document issued by a creditor indicating that an employee has authorized a portion of his wages to be assigned to the creditor.

State Agencies are to honor Wage Deduction Summonses following the procedures outlined in Payroll Bulletin 2-75, issued February 20, 1975.

Wage Assignments are not to be honored and should be handled in accordance with Payroll Bulletin 6-75, issued May 4, 1975.

Any questions concerning the above procedures should be referred to me at (217) 782-4758.

Very truly yours,

George W. Lindberg
Comptroller

By: Kermit W. Kerley
Payroll Supervisor

KWK:cmc

STATE OF ILLINOIS

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT

COUNTY OF _____

-vs.-

NO.

Address of employer:

and

Employer

WAGE DEDUCTION SUMMONS

To the employer:

YOU ARE SUMMONED and required to file answers to the judgment creditor's interrogatories, in the office of the clerk of this court _____, (Insert name of building, room number, address, including city)

Illinois, on or before*, _____, 19____. However, if this summons is served on you less than 60 days before that date, you must file answers to the interrogatories on or before a new return date, to be set by the court, not less than 60 days after you were served with this summons.

You must not file your answers to the interrogatories sooner than 60 days after service of this summons. This proceeding applies to nonexempt wages due at the time you were served with this summons and to wages which become due until the expiration of your payroll period ending immediately prior to 60 days after you were served with this summons.

IF YOU FAIL TO ANSWER, A CONDITIONAL JUDGMENT BY DEFAULT MAY BE TAKEN AGAINST YOU FOR THE AMOUNT OF THE JUDGMENT UNPAID.

To the officer:

This summons must be returned by the officer or other person to whom it was given for service, with indorsement of service and fees, if any, immediately after service. If service cannot be made, this summons shall be returned so indorsed. This summons may not be served later than the above date.

WITNESS, _____, 19____

Clerk of court

(Seal of court)

Date of service: _____, 19____

(To be inserted by officer on copy left with employer or other person)

Name
Attorney for
Address
City
Telephone

* 60 to 70 days after date of issuance of this summons.

WAGE ASSIGNMENT

EXHIBIT 2

NAME AND ADDRESS OF ASSIGNEE

ACCOUNT NO	DUE	DATE OF LOAN				
BORROWER'S NAME AND ADDRESS		SPOUSE	LOAN CHARGES	RECORDING FEE	TOTAL AMOUNT OF NOTE	
		CASH ADVANCE \$	PROP. PHY. DAMAGE INSURANCE PREMIUM \$	CREDIT INSURANCE PREMIUMS LIFE \$	HHG FIRE INS. PREM. \$	
		INSTALLMENT PAYMENT SCHEDULE			DATE OF 1ST INSTALLMENT PAYMENT	DATE OF FINAL INSTALLMENT PAYMENT
		ONE XS' AMOUNT	AND NO XS' AMOUNT	OTHERS SAME DAY OF EACH MONTH	MATURITY DATE OF NOTE AND LOAN	
2. REFINANCED BALANCE \$						

SOCIAL SEC. NO.				SOCIAL SEC. NO.			
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Agreed Rate of Loan Charge

(1) 8.50% per year for contracts which provide for a repayment period not exceeding 30 months; (2) 8.44% per year for contracts which provide for a repayment period exceeding 30 months but not exceeding 33 months; (3) 8.27% per year for contracts which provide for a repayment period exceeding 33 months but not exceeding 36 months; (4) 8.10% per year for contracts which provide for a repayment period exceeding 36 months but not exceeding 39 months; (5) 7.94% per year for contracts which provide for a repayment period exceeding 39 months but not exceeding 42 months; (6) 7.78% per year for contracts which provide for a repayment period exceeding 42 months but not exceeding 45 months; (7) 7.63% per year for contracts which provide for a repayment period exceeding 45 months but not exceeding 48 months; (8) 7.49% per year for contracts which provide for a repayment period exceeding 48 months but not exceeding 51 months; (9) 7.35% per year for contracts which provide for a repayment period exceeding 51 months but not exceeding 54 months; (10) 7.22% per year for contracts which provide for a repayment period exceeding 54 months but not exceeding 57 months; (11) 7.09% per year for contracts which provide for a repayment period exceeding 57 months but not exceeding 61 months; computed on the original face amount of the loan contract for the full term of the loan. The charge for each month in the contract shall be 1/12 of the annual rate.

For value received, the undersigned severally hereby assign, convey, transfer and set over to the Assignee named above, fifteen (15) per cent of all gross salaries, wages, commission, or other compensation for services severally earned or to be earned severally by us, in the employ of as stated beneath our names hereto below set forth; by whom we severally are now employed or any future employer of the undersigned or either of them, until the loan secured hereby shall have been fully discharged, or within two years of the date hereof whichever occurs first. Provided, however, that on and after July 1, 1970, the amount of individual wages, salaries, commissions, or other compensation, assigned, conveyed, transferred and set over to the assignee by virtue of this agreement, shall not exceed the maximum provided by Title III of the Federal Consumer Protection Act, as the lesser of (1) 25% of his disposable earnings; or, (2) the amount of his disposable earnings in excess of thirty times the Federal Minimum Hourly Wage in effect at the time.

We severally hereby authorize and direct our said employers or either of them to pay said part of salaries, wages, commissions or other compensation for services to the said Assignee, and we hereby release and discharge our said employers and each of them from all liability to us on account of any and all moneys paid in accordance with the terms hereof. We severally give and grant unto the said Assignee full power and authority to demand, receive and receipt for the same or any part thereof in any of our names. This assignment dated as above is executed and delivered as security for a loan in the amount set forth above which is the actual amount of the loan made to the undersigned by the said Assignee on the date hereof, and the principal amount of such loan was paid to the undersigned simultaneously with the execution of this assignment.

Payment of principal and interest combined shall be made in consecutive monthly installments as indicated above, beginning on the stated due date for the first payment and continuing on the same day of each succeeding month to and including the stated due date for the final payment, provided that upon default the entire unpaid balance of principal and interest may become due. Notice to employers shall be withheld as long as installment payments are promptly paid and when fully paid this assignment shall be cancelled.

The assignment shall remain in full force and effect until said note together with all interest that may accrue thereunder has been paid in full, but not longer than two years from the date hereof.

X _____
Assignor (Borrower)

Witness _____

X _____
Spouse

Witness _____

WAGE ASSIGNMENT

Present Employer of Spouse

Present Employer of Borrower

(Not to be signed by Federal, State or Other Public Employees)