

G is for Garnishment

By John Skiba, Arizona Bankruptcy Attorney

www.skibalaw.com



[Garnishments](#) are a pain. Maybe the only thing that pushes people into bankruptcy more quickly than garnishment is a foreclosure. In Arizona, a creditor can garnish up to 25% of each pay check. If you are living payday to payday this can completely devastate your finances. Before I get into how [bankruptcy can stop a garnishment](#), there are a lot of misconceptions when it comes to people understanding when their wages can be garnished that need to be debunked.

First, your wages cannot be garnished until your creditor files a lawsuit against you and obtains a judgment against you. The only exception to this rule in Arizona is the IRS and the Arizona Department of Revenue – the rules often don't apply to them and they can take as they set fit (another topic for another day). But generally the creditor must go through the legal process and present you with an opportunity to respond to their allegation that you owe them money before they can take your pay.

Second, the fact that a creditor garnishing your wages creates a financial hardship on your family is not a valid reason for a court to terminate the garnishment. In my experience many of the judges here in Arizona will reduce the amount of the garnishment to 15% of your pay if you can show hardship, but otherwise once the garnishment is in place it is likely there until you pay the debt in full, unless...

Bankruptcy Stops Garnishments

One sure fire way to stop a garnishment is to file for bankruptcy. If there are other debt issues or if the garnishment is making it impossible to make ends meet, then bankruptcy may be a good option. Immediately upon filing your bankruptcy case the court issues an order called the [Automatic Stay](#) that stops all collection efforts against you, including stopping the garnishment of your paycheck or your bank account.

If you have already had money taken out of your pay you are not likely going to get that back, but the bankruptcy filing will stop all future garnishments of your pay. Once you

receive notice of from your employer that a garnishment is going to start it is important to act quickly if you want to avoid losing any money to the garnishment process. I offer free consultations to discuss bankruptcy options and how it can help you get out of debt for good. Give me a call at (480) 420-4028 or shoot me an email at john@skibalaw.com.

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1. [Bankruptcy & Garnishment – Stopping Garnishment of Your Wages and Bank Accounts Through Bankruptcy \(9.5\)](#)
2. [Bankruptcy & Arizona’s Wage Garnishment Laws \(8.9\)](#)
3. [How to Stop a Garnishment in 5 Minutes Flat! Bankruptcy and Emergency Filings \(7.6\)](#)