

## **COUNCIL TAX ATTACHMENT OF EARNINGS ORDERS - QUESTIONS & ANSWERS**

### **1) What is a Council Tax Attachment of Earnings Order?**

Where there is non-payment of council tax the local authority can apply to a magistrates' court for a liability order against the defaulter. If a court grants a liability order an authority has a number of options for recovering the outstanding amount. One of these is an attachment of earnings order. The order itself is in the form prescribed in regulations- See Annex C. It contains the name of the debtor, his payroll number (if known) and the local authority reference. It confirms that the named person is liable to a council tax and specifies the amount of charge that has still to be paid. Deductions in line with the order should be made as soon as possible after the order has been received.

### **2) What duties does this order place on an employer?**

Places certain duties on an employer, so it is important that you know the governing principles. Details of your statutory duties are set out at paragraph 13 below.

If the person who is the subject of the order is in your employment you should make deductions from his/her earnings as explained below. These deductions should begin as soon as possible after the receipt of the order. The amount deducted should then be forwarded to the authority by the 19th day of the month following the month in which the deduction was made.

As well as the amount to be deducted and paid to the authority you may also deduct £1 per transaction from your employee towards your administrative costs. With each deduction made a written statement of the cumulative amount deducted, including your administrative costs should be supplied to your employee. This can normally be done when a pay statement is issued, but, if this is not convenient, may be done as soon as possible after the deduction is made.

If the employee has moved on or has never been in your employment you should inform the issuing authority within 14 days and your liability to do anything under the order will cease.

### **3) How long does this order last?**

Deductions should be made each pay day until the total amount specified on the order has been paid over to the authority; until the person has left your employment, or until the order is discharged by the authority. When the employee leaves your employment and you have notified the local authority nothing further is required of you. The local authority will have to serve a copy of the order on the new employer which will state the amount remaining to be deducted.

### **4) How much should be deducted?**

The amount to be deducted is dependent on the total net earnings received by the employee. For the purposes of these orders net earnings means earnings after the deduction of income tax, primary Class 1 national insurance contributions, superannuation contributions and any deduction with a higher priority. Annex C includes a full statutory definition of "earnings" in regulation 32 and also includes tables which specify the percentage to be deducted according to the amount of net earnings and the frequency of pay period. If an employee receives holiday pay, deductions should be made as detailed below.

### **5) What are earnings?**

Earnings are defined as: - sums payable by way of wages or salary (including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary payable under a contract of service)

Earnings do not include: - sums payable by public departments of the Government of Northern Ireland or a territory outside the United Kingdom; pay and allowances of members of the armed forces; benefit or allowances payable under any enactment relating to social security (this includes maternity pay); allowances payable in respect of disablement or disability; and wages payable to a person as a seaman, other than as a seaman of a fishing boat

### **6) What are net earnings?**

Net earnings are defined in regulation 32 as the amount payable after deduction of income tax, national insurance, superannuation payments and amounts deducted under any CCAEO made before the CTAOE is made.

### **7) Are Youth Training Allowances earnings?**

No

### **8) How do I use these tables?**

Column 1 of each table details pay bands which correspond to net earnings. Column 2 details the percentage of earnings to be deducted.

### **9) How do I know which table to use?**

Since the majority of people are paid at regular intervals this should normally be straightforward but there will be cases of irregular payment. The examples listed below may help you to decide which deductions should be made.

**Weekly** - If the person is paid weekly then deductions should be made in line with Table A

**Monthly** - If the person is paid monthly then deductions should be made in line with Table B.

**Other weekly intervals**- If the person is paid at intervals of a whole number of weeks then the net earnings should be divided by the number of weeks in the pay period. Table A should then be used to work out the appropriate weekly deduction and the resulting amount multiplied by the number of weeks in the period.

**More than one month**-If a person is paid at intervals of a whole number of months the net earnings should be divided by the number of months in the pay period. Table B should then be used to work out the appropriate monthly deduction and the resulting amount multiplied by the number of months in the period.

**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 net earnings should be divided by the number of days. Table C should then be used to work out the appropriate daily rate, which should then be multiplied by the number of days in the period.

**Two or more series of payments at regular intervals**- If the person is paid in two or more series and payments are made in regular intervals, then select the series with the shortest interval between payments & use the tables as described above. In addition, deduct 20% of the net earnings payable in every other series. If the person is paid in two or more series and all the intervals are the same length, then select one of these, make deductions as described above, and in addition deduct 20% of the net earnings payable in every other series.

**Example** - An Employee's net pay is £120 weekly and £500 monthly. A deduction of £3.60 is made for the weekly pay and £100 for the monthly pay (ie 20% of £500).

**Irregular intervals**- If the person is paid at irregular intervals the net earnings should be divided by the number of days since the last payment and Table C should be used to work out the appropriate daily deductions, which in turn should be multiplied by the number of days in the period.

**Example** - An employee's net pay: a) £135 (from 1 April to 9 April - 9 days) b) £150 (from 10 April to 19 April - 10 days) c) £165 (from 20 April to 30 April - 11 days)

The deductions to be made would be as follows a)  $135/9 = £15.00$ . Daily deduction =  $£15.00 \times 3\%$  ie £0.45.

Deduction to be made for period =  $9 \times £0.45 = £4.05$

b)  $150/10 = £15$ . Daily deduction =  $£15 \times 3\%$  ie £0.45. Deduction to be made for period =  $10 \times 0.45 = £4.50$

c)  $165/11 = £15$ . Daily deduction =  $£15 \times 3\%$  ie £0.45. Deduction to be made for period =  $11 \times 0.45 = £4.95$

**Regular and Irregular intervals**- If on the same day the person is to be paid regular earnings and irregular period earnings these amounts should be added together and treated as earnings payable at the regular interval, the appropriate table being used.

Example - An employee receives £200 as normal net weekly pay. In addition £400 is received every 15 days for a different task. The deductions to be made would be for weekly earnings (Table A) of  $£200 + £400 = £600$ . The deduction rate for £600 is 17% of the first £505 plus 50% of the remainder ie  $£85.85 + 47.50 = £133.35$

### **10) What do I deduct if there is an advance for Holiday pay?**

The amount to deduct is the aggregate of:- A) The amount that would have been deducted on the pay day if there had been no advance of pay and B) The amounts that would have been deducted if the amount advanced had been the normal pay day or days.

Example - An employee receives £650 on the pay day. This comprises £250 for the week in which the pay day falls and includes overtime of £50; and £400 for 2 weeks holiday advance ie 2 weeks of standard pay at £200 per week. The amount to be deducted is:  $(12\% \text{ of } £250 = £30) + (7\% \text{ of } £200 \times 2 = £28) = £58.00$

### **11) How should I deal with loans made for other purposes?**

Loans made, for example, for the purchase of a season ticket or for helping with moving house, are not advances of pay and should not be counted as earnings. Where an amount is deducted for the repayment of such advances net earnings will be as calculated in the normal way less the amount of this deduction.

### **12) What do I do if there is an attachment of earnings order already in force or I subsequently receive another order before the first one is discharged?**

If there is an order of any type in payment and dated before 1 April 1993, then a later Council Tax order cannot be actioned. Any other type of order can be actioned, and should be applied in date sequence, with the later orders being applied to the remaining earnings.

If there is no earlier order already in payment, or if an order dated after 1 April 1993 is in payment, then all further orders can be applied in date sequence, with later orders being applied to remaining earnings. (NB Any 1971 Act non-priority orders are to be applied (in date order) after all other orders.

(If a later order is blocked by a CCAOE made prior to 1 April 1993, it is possible that authorities will seek to cancel and remake the earlier order to eliminate the block.)

### **13) Statutory duties placed on employers**

A CTAOE is a legal document and places certain duties on employers and debtors. A summary of these legal duties is below.

An employer could be liable for a fine if he:- a) fails to comply with the order unless he can prove all reasonable steps were taken to comply b) fails to give all required notifications relating to the Council Tax Attachment of Earnings Order; c) in giving notification makes a statement which he knows to be false in a material particular or recklessly make a statement which is false in a material particular.

### **14) Statutory duties placed on debtors**

Debtors could be liable for a fine for:- a) failure, without reasonable excuse, to supply information;  
b) making a statement which they know to be false in a material particular.

### **ANNEX B - Priorities between AEO's where all orders concerned are made post 31.3.93**

		Action for employer	Relevant regulations
Council Tax AEO	and council tax AEO	apply AEO's in date order, applying later order to residue of earnings.	regulation 42(1) of Council Tax (Administration and Enforcement) Regulations (SI 1992/613, as substituted by SI 1992/3008)
	and 1971 Act AEO	apply AEO's in date order, applying later order to residue of earnings ( but see note (1))	regulation 42(2) of Council Tax (Administration and Enforcement) regulations (SI 1992/613, substituted by SI 1992/3008)
	and Child Support DEO	apply AEO's in date order, applying later order to residue of earnings	regulation 42(2) of Council Tax (Administration and Enforcement) Regulations (SI 1992/613 as substituted by SI 1992/3008)
	and Community Charge AEO	process CC AEO when received, applying it to residue of earnings	net earnings as defined in regulation 27(1) of Community Charge (Administration and Enforcement) regulations (SI 1989/438, as amended by SI 1992/219 and 1993/775)
Community Charge AEO	and Community charge AEO	apply AEO's in date order, applying later order to residue of earnings	regulation 37A(2) of Community Charge (Administration and Enforcement) regulation (as inserted into SI 1992/438 by SI 1993/775)
	and 1971 Act AEO	apply AEO's in date order, applying later order to residue of earnings (but see note (2))	regulation 37A(3) of Community Charge A & E regulations (as inserted into SI 1992/438 by SI 1993/775)
	and Child Support DEO	apply AEO's in date order, applying later order to residue of earnings	regulation 24 of Child Support (Collection and Enforcement) regulations (SI 1992/1989)
	and Council Tax AEO	process CT AEO when received applying it to residue of earnings	net earnings as defined in regulation 32 of SI 1992/613, as amended by SI 1993/773

**Note (1):-** an employer shall not deal with a “non-priority order” until he has dealt with the Council Tax AEO ( a maximum of two Council Tax AEOs may be served by an authority) and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this context a “non-priority order” is an order made on or after 1 April 1993 under the 1971 Act either wholly or in part in respect of the payment of a judgement debt or payments under an administration order.

**Note (2)-** an employer shall not deal with a “ non-priority order” until he has dealt with the Community Charge AEO(s), and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this context a “non-priority order” is an order made on or after 1 April 1993 made either wholly or in part in respect of the payment of a judgement debt or payments under a administration order.

**Priorities between Community Charge AEOs, Council Tax AEOs and 1971 Act AEOs made on or before 31.3.93, and other AEOs**

		Action for employer	Relevant regulations
Community Charge order made on or before 31 March 1993 in payment	1971 Act order received	1971 Act order to be dealt with on the basis of the residue of earnings	regulation 37(2)(b) of the Community Charges (Administration & Enforcement) regulations (SI 1989/438)
	further pre 31 March 1993 Community Charge order received  further post 31 March 1993 Community Charge order received	must wait until first Community Charge order is cleared  must wait until first Community Charge order has cleared	regulation 37(1) of the Community Charges (Administration & Enforcement) regulations (SI 1989/438) (New regulation 37A inserted by SI 1993/775 only applies where all orders are made after 31 March 1993)
	Child Support Act order received	apply orders in date order, applying later order to residue earnings	regulations 24(2)(b) of Child Support (Collection & Enforcement) regulations (SI 1992/1989)
	Council Tax order received	process Council Tax order when received, on basis of residue of earnings	net earnings as defined in regulation 32 of the Council Tax (Administration & Enforcement) regulations (SI 1992/613) as amended by SI 1993/773
1971 Act order made before 1 April 1993 in payment	pre 31 March 1993 Community Charge order received  post 31 March 1993 Community Charge order received	must wait until 1971 Act Order cleared  must wait until 1971 Act order cleared	regulation 37(2)(a) of the Community Charge (Administration & Enforcement) regulations (SI 1989/438) New regulation 37A inserted by SI 1993/775 only applies to orders made after 31 March 1993
	Council Tax Order received	apply AEO(s) in date order, applying later order to residue of earnings (but see note (1))	regulation 42(2) of Council Tax (Administration & Enforcement) regulations (SI 1992/613, as substituted by SI 1992/3008)

Note (1) - an employer shall not deal with a “non-priority order” until he has dealt with the Council Tax AEO(s) and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this respect a “non-priority order” is an order made under the 1971 Act either wholly or in part in respect of the amount of a judgement debt or payments under an administration order.

**Regs 32 & 38 to 42, & schedule 4 to, the Council Tax (Administration & Enforcement) Regulations 1992**  
**ANNEX C**

Interpretation and application of Part VI

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 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, 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 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 to him 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; (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; and “net earnings” in relation to an employment means the residue of earnings payable under the employment after deductions by the employer of (a) income tax (b) primary class 1 contributions under Part 1 of the Social Security Contributions & Benefits Act 1992 and (c) amounts deductible under any enactment, or in pursuance of a request in writing by the debtor, for the purpose of a Superannuation scheme, namely any enactment, rules, deed or other instrument providing for the payment of annuities or lump sum- (I) to the person 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 representative or the widows, 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 of earnings order) of the Community Charges (Administration & enforcement) Regulation 1989 made before the making of the attachment of earnings order 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 meaning 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 & 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 in this Part to the day on or time at which the 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 person’s 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.

### **Deductions under attachment of earnings order**

**38.** (1) Subject to paragraphs (2) & (3), the sum to be deducted by an employer under an attachment of earnings order on any pay-day 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 pay-day; and for this purpose the appropriate percentage is the percentage (s) 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 pay-day; and for this purpose the appropriate percentage is the percentage(s) specified in column 2 of Table B in 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) calculated what would be his weekly or monthly net earnings by dividing the net earnings payable to him by the employer on the pay-day by that whole number(of weeks or months, as the case may be), (ii) ascertaining the percentage(s) 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 of that Table within which the notional net earnings calculated under paragraph (I) fall, and (iii) calculating the sum which equals the appropriate percentage (s) 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 pay-day includes an advance in respect of future pay, the sum to be deducted under paragraph (1) and - (a) where the amount advanced would otherwise have been paid on a single pay-day, the sum which would have been deducted on that pay-day in accordance with paragraph (1) if the amount advanced had been the amount of net earnings on that day; or (b) where the amount advanced would otherwise have been paid on more than one pay-day, the sums which would

have been deducted on each of the relevant pay-days 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 pay-day 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 purpose of paragraph (1), be the amount defined in regulation 32 (1) less the amount of the deduction

(4) Subject to paragraph (5) & (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 pay-day shall be arrived by- (a) calculating what would be his daily net earnings by dividing the net earnings payable to him by the employer on the pay-day by the number of days in the interval, (b) ascertaining the percentage(s) specified in column 2 of Table C in schedule 4 opposite the band in column 1 of the Table within which the national net earnings calculated under sub-paragraph (a) fall, and (c) calculate the sum which equals the appropriate percentage(s) 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 pay-day 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-

$A + B$  where A is the amount of net earnings payable to him on the pay-day (exclusive of the amount advanced)

----- B is the amount advanced

$C + D$  C is the number of days in the period for which the amount of net earnings is payable

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 to 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% of the net earnings or, where on any pay-day an amount is also paid, 20% of the aggregate of the net earnings and the amount advanced; (b) if all of the intervals are 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. and paragraph (3) shall apply in relation to sub-paragraph (a)(ii) above as it applies in relation to paragraph (1).

(8) Subject to paragraph (9) & (10), where the debtor's earnings from the employer are payable at irregular intervals, the sums to be deducted on any pay-day 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 pay-day (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(s) specified in column 2 of Table C of schedule 4 opposite the band in column 1 of the table within which the notional net earnings calculated under sub-paragraph (a) fall; and (c) calculating the sum which equals the appropriate percentage(s) of the daily net earnings & multiply 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 pay-day there are payable to the debtor by the employer both earnings payable at regular intervals and earnings payable by the employer to him at irregular intervals on a different pay-day, the sum to be deducted on each of the pay-days on which the earnings which are payable at irregular intervals are so payable shall be 20% of the net earnings payable to him on the day.

### **Attachment of earnings orders: ancillary powers & duties of employers & others served**

**39.** (1) An employer who deducts & 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 £1.00 towards the administration costs.

(2) An employer who deducts & 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 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 this 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 14 days of the day on which the debtor became the person's employee or the day on which the person first knows that the order is in force and the identify of the authority by which it was made, whichever is the later.

### **Attachment of earnings orders: duties of debtors**

**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 1 of the Social Security Contributions & Benefits Act 1992; (iii) for the purpose 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 identify 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 the authority**

**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, on its own account or on 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 between attachment of earnings orders**

**42.** (1) Where an employer would, but for this paragraph, be obliged to make deductions on any pay-day under more than one attachment of earnings orders, 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 order according to the respective dates on which they were in like manner as under paragraph (1)

(3) An employer shall not deal with a deduction order made earlier 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.

(4) In this regulation "deduction order" means an order under the Attachment of Earnings Act 1971 or section 31(2) (deductions from earnings order) of the Child Support Act 1991.

**SCHEDULE 4 - Deductions to be made under Attachment of Earnings Order.****Table A - Deductions from weekly earnings**

<b>Net Earnings</b>	<b>Deduction rate %</b>
<b>Not exceeding £75</b>	<b>0</b>
<b>Exceeding £75 but not exceeding £135</b>	<b>3</b>
<b>Exceeding £135 but not exceeding £185</b>	<b>5</b>
<b>Exceeding £185 but not exceeding £225</b>	<b>7</b>
<b>Exceeding £225 but not exceeding £335</b>	<b>12</b>
<b>Exceeding £335 but not exceeding £505</b>	<b>17 in respect of the first £505 and 50 in respect of remainder</b>

**Table B - Deductions from Monthly Earnings**

<b>Net Earnings</b>	<b>Deduction Rate %</b>
<b>Not exceeding £300</b>	<b>0</b>
<b>Exceeding £300 but not exceeding £550</b>	<b>3</b>
<b>Exceeding £550 but not exceeding £740</b>	<b>5</b>
<b>Exceeding £740 but not exceeding £900</b>	<b>7</b>
<b>Exceeding £900 but not exceeding £1,420</b>	<b>12</b>
<b>Exceeding £1,420 but not exceeding £2,020</b>	<b>17</b>
<b>Exceeding £2,020</b>	<b>17 in respect of the first £2,020 &amp; 50 in respect of the remaining</b>

**Table C - Deductions based on Daily Earnings**

<b>Net Earnings</b>	<b>Deduction Rate</b>
<b>Not exceeding £11</b>	<b>0</b>
<b>Exceeding £11 but not exceeding £20</b>	<b>3</b>
<b>Exceeding £20 but not exceeding £27</b>	<b>5</b>
<b>Exceeding £27 but not exceeding £33</b>	<b>7</b>
<b>Exceeding £33 but not exceeding £52</b>	<b>12</b>
<b>Exceeding £52 but not exceeding £72</b>	<b>17</b>
<b>Exceeding £72</b>	<b>17 in respect of the first £72 &amp; 50 in respect of the remainder</b>

**FOR BACS PAYMENTS PLEASE QUOTE THE COUNCIL TAX REFERENCE NUMBER USING SORT CODE 30-96-20 AND ACCOUNT NUMBER 02832028**