

F. D.

U.S. DEPARTMENT OF LABOR  
WORKPLACE STANDARDS ADMINISTRATION  
WASHINGTON, D.C. 20210



OFFICE OF THE ADMINISTRATOR

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CCPA

This is in response to your letter of October 2, 1970, concerning Title III of the Consumer Credit Protection Act.

Those deductions which are required by law to be withheld in determining an employee's disposable earnings for purposes of Title III are listed on page 2 of the garnishment pamphlet. They include Federal income tax withholding and social security tax deductions, State and City tax withholding deductions, and State unemployment insurance taxes.

After an individual's disposable earnings are determined, section 303(a) of the Act sets restrictions on that amount that may be garnished. As provided in section 303(b), the restrictions do not apply in the case of (1) any order of any court for the support of any person, (2) any order of any court of bankruptcy under chapter XIII of the Bankruptcy Act, and (3) any debt due for any State or Federal tax.

Payments pursuant to section 303(b) may not be deducted for purposes of determining an individual's disposable earnings. Rather, such payments are considered part of the disposable earnings and are counted toward the amount that can be withheld under section 303(a).

Sincerely,

Robert D. Moran  
Administrator

2 Enclosures