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CHAPTER 571

GARNISHMENT

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571.41 GARNISHEE SUMMONS; EXCEPTIONS. Subdivision 1. In any action in a court of record or justice court for the recovery of money, at any time after default following service of the pleadings upon a party to the main action, unless an answer or reply has been interposed or after the judgment therein against the defendant, a garnishee summons may be issued against any third person as provided in this chapter. The judgment creditor and judgment debtor shall be so designated and the person against whom the summons issues shall be designated garnishee. Any individual, partnership or corporation within the state having property subject to garnishment may be named as garnishee. Notwithstanding anything to the contrary herein contained, a plaintiff in any action in a court of record or justice court for the recovery of money may issue a garnishee summons before judgment therein if, upon application to the court, it shall appear that defendant is about to take property out of the state which might be necessary to satisfy any judgment awarded plaintiff and if the court shall order the issuance of such summons. If such an order shall issue such summons and attendant documents shall designate the parties plaintiff and defendant, respectively.

Subd. 2. Garnishment shall be permitted before judgment in the following instances only:

(1) For the purpose of establishing quasi in rem jurisdiction

(a) when the defendant is a resident individual having departed from the state with intent to defraud his creditors, or to avoid service, or keeps himself concealed therein with like intent; or

(b) the defendant is a resident individual who has departed from the state, or cannot be found therein, or

(c) the defendant is a nonresident individual, or a foreign corporation, partnership or association.

(2) When the garnishee and the debtor are parties to a contract of suretyship, guarantee, or insurance, because of which the garnishee may be held to respond to any person for the claim asserted against the debtor in the main action.

Subd. 3. In the instances where garnishment is permitted before the entry of judgment the parties for the purposes of Laws 1969, Chapter 1142, will be known as judgment debtor or judgment creditor respectively.

[1945 c 424 s 1; 1951 c 197 s 1; 1969 c 1142 s 1]

571.42 EFFECT OF SERVICE OF SUMMONS. Subdivision 1. Except as provided in sections 571.43 and 571.50, service of the garnishee summons upon the garnishee shall attach and bind, to respond to final judgment in the action, all personal property of the judgment debtor in his possession or under his control and all indebtedness owing by him to the judgment debtor at the time of such service

and all non-exempt disposable earnings earned or to be earned within that one pay period.

Subd. 2. Subject to the provisions of sections 550.37 and 571.55 all moneys, all non-exempt disposable earnings earned or to be earned within that one pay period and other personal property including such property of any kind due from or in the hands of an executor, administrator, receiver or trustee and all written evidences of indebtedness whether negotiable or not or under or overdue may be attached by garnishment, and money or any other thing due or belonging to the judgment debtor may be attached by this process before it has become payable if its payment or delivery does not depend upon any contingency, but the garnishee shall not be compelled to pay or deliver the same before the time appointed by the contract.

[1945 c 424 s 2; 1969 c 1142 s 2]

571.43 GARNISHMENT PROHIBITED. No person or corporation shall be adjudged a garnishee by reason of:

(1) Any money or other thing due to the judgment debtor, unless at the time of the service of the summons the same is due absolutely, and without depending on any contingency;

(2) Any debt due from such garnishee on a judgment, so long as he is liable to an execution thereon;

(3) Any liability incurred upon any negotiable instrument;

(4) Any money or other thing due to the judgment debtor where the judgment debtor is a bank, savings bank, trust company, credit union, or savings and loan association.

[1945 c 424 s 3; 1957 c 184 s 1; 1967 c 337 s 1; 1969 c 1142 s 3]

571.44 AGENT TO ACCEPT SERVICE. In addition to the officers designated by law for the service of process, a domestic corporation may designate an agent upon whom the garnishee summons may be served. Service upon any agent of a foreign corporation doing business in this state is service upon such corporation.

[1945 c 424 s 4]

571.45 SALARY OF PUBLIC SERVANTS. The salary or wages of any official or employee of a county, town, city, village, or school district, or any department thereof, is subject to garnishment. In the case of such officer, the garnishee summons shall be served upon the auditor, treasurer, or clerk of such body, or department thereof of which he is an officer; and in other cases, shall be served upon the officer in whose office, or the head of the department in which, or the presiding officer of the body by which, such person is employed; and the disclosure shall be made by the officer or person so served, or by some person designated by him having knowledge of the facts. If payment is made by such county, town, city, village, or school district, or any department thereof pursuant to a judgment against it as garnishee, a certified copy of the judgment with a certificate of satisfaction to the extent of such payment endorsed thereon shall be delivered to the treasurer as his voucher for such payment.

[1945 c 424 s 5]

571.46 MONEY DUE FROM HIGHWAY DEPARTMENT. Money due or owing to any corporation or person by the state on account of any employment, work, or contract with the commissioner of highways is liable to garnishment. The garnishee summons may be served upon the commissioner of highways by registered mail; and the disclosure shall be made by the commissioner or by some person designated by him having knowledge of the facts. If payment is made pursuant to judgment against the state as garnishee a certified copy of the judgment, with a certificate of satisfaction to the extent of such payment endorsed thereon; shall be delivered to the commissioner as his voucher for such payment.

[1945 c. 424 s. 6]

571.47 **DISTRICT COURT.** Subdivision 1. **Procedure.** To enforce a judgment arising from an action in the district court the garnishee summons may be issued by judgment creditor or his attorney and shall be served upon the garnishee in the same manner as other district court summons except that service must

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be personal. The judgment creditor may also serve with the garnishee summons written interrogatories, and if so served the garnishee shall as a part of his disclosure under oath answer said interrogatories. The garnishee summons shall require that the garnishee within 20 days after service thereof, serve upon the judgment creditor or his attorney a written disclosure of his indebtedness to judgment debtor and any property of judgment debtor in his possession or under his control, which disclosure need not exceed 110 percent of the amount of judgment creditor's judgment, and shall state the full name of the judgment debtor and his place of residence, the amount of judgment creditor's judgment against judgment debtor, including disbursements to date, and require the garnishee to retain in his possession such property of judgment debtor or indebtedness owing to judgment debtor in an amount not exceeding 110 percent of the amount of such judgment. A copy of the summons with a notice showing the time and manner of service upon the garnishee shall be served upon judgment debtor in the same manner as a district court summons not later than 20 days after the service on the garnishee; provided that if the sheriff or other court officer shall make a return that judgment debtor cannot be found, or if the judgment creditor, his agent, or attorney make and file an affidavit either that the whereabouts of the judgment debtor is unknown or if known that he is outside the county, or that the judgment creditor has unsuccessfully attempted to make service upon the judgment debtor, such service upon the judgment debtor may be made by mail addressed to judgment debtor's last known address. A single summons may be addressed to two or more garnishees but shall state whether each is summoned separately or jointly.

Subd. 2. Forms; summons, notice, and affidavit. The garnishee summons and notice to judgment debtor, together with the affidavit of service, shall be substantially in the following form:

ss

County of

DISTRICT COURT JUDICIAL DISTRICT

Against Judgment Creditor

And Judgment Debtor

Garnishee

GARNISHMENT SUMMONS THE STATE OF MINNESOTA, To the above named Garnishee:

(Give full name and residence of judgment debtor)

money, or effects of said judgment debtor in your possession or under your control, which disclosure need not exceed 110 percent of the amount of judgment creditor's judgment. The amount of judgment creditor's judgment against the judgment debtor is \$......; and you are hereby required to retain in your possession such property, money, and effects in an amount not exceeding 110 percent of the amount of such judgment.

		Attorney for judgment creditor
		Address
Dated	19	

NOTICE TO JUDGMENT DEBTOR

To Judgment Debtor.....:

Sir:

Attorney for judgment creditor

•••••••

Address

AFFIDAVIT OF SERVICE

.....

SS

.....

STATE OF MINNESOTA

FEES:	Service of Summons,	\$	Notice,	\$ \$
	Copy of Summons,	\$	Notice,	\$ \$
	Mileage	\$	Notice,	\$ \$
Subscri	bed and sworn to before m	e		
this	day of	.,		

19.....

Notary Public

...... County, Minnesota

[1945 c 424 s 7; 1967 c 429 s 1; 1967 c 689 s 1; 1969 c 1142 s 4]

571.48 JUSTICE COURT. Subdivision 1. Procedure. To enforce a judgment arising from an action in justice court, the summons shall be issued by the justice, and shall require that the garnishee within 12 days from the date of service thereof serve upon judgment creditor or his attorney a written disclosure of his indebtedness to the judgment debtor, and any property or money of judgment debtor in his possession or under his control, which disclosure need not exceed 110 percent of the amount of judgment creditor's judgment, and shall state the full name of the judgment debtor and his place of residence and the amount of judgment creditor's judgment against judgment debtor or indebtedness owing to judgment debtor not exceeding 110 percent of the amount of such judgment. The summons shall be served in the same manner as a justice court summons against

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a defendant, except that the service must be personal. A copy of the summons, together with a notice to the judgment debtor of such service upon the garnishee, signed by the justice or the officer who served the same, shall be served upon the judgment debtor within six days after service upon the garnishee; provided that if the court officer shall make a return that judgment debtor cannot be found, such service may be made by mail addressed to judgment debtor's last known address.

Subd. 2. Forms. The garnishee summons and notice to judgment debtor, together with the affidavit of service, shall be substantially in the following form:

IN JUSTICE COURT

Before..... Justice of the Peace

Judgment Creditor

Address

Judgment Debtor

~ • •

Garnishee

THE STATE OF MINNESOTA,

To the above named Garnishee:

the service of this summons upon you, a written disclosure under oath, touching your indebtedness to judgment debtor above named, and any prop-(Name and address)

Justice of the Peace.

. .

.....

NOTICE TO JUDGMENT DEBTOR

STATE OF MINNESOTA,	1	ss
County of	5	

To Judgment Debtor:

Justice of the Peace.

5

STATE	OF	MINNESOTA	
County	of		

) ss

Constable

FEES:	Service of Summons,	\$	Notice,	\$	\$	Constau
	Copy of Summons,	\$	Notice,	\$	\$	
	Mileage	\$	Notice,	\$	\$	
[1945	5 c 424 s 8; 1967 c 429 s 2; 19	967 c 689 s	s 2; 1969	c 1142 s 5	[]	

571.49 DISCLOSURE. Subdivision 1. Garnishee to disclose. Within the time herein limited the garnishee shall serve upon the judgment creditor or his attorney a disclosure in writing and under oath setting forth the amount and character of judgment debtor's property in his hands or indebtedness owing to judgment debtor and the facts in reference thereto including answers to any interrogatories served upon him. In the case of the garnishee's indebtedness to the judgment debtor, the amount of such disclosure need not exceed 110 percent of the amount of judgment creditor's judgment, after subtracting the total of set-offs, defenses, exemptions, ownerships, or other interests. Such disclosure may be served personally or by mail. If such disclosure is by a corporation it shall be verified by some officer or agent having knowledge of the facts.

Subd. 2. Contents of disclosure. Such disclosure shall state:

(1) Whether he was, at the time of the service of the garnishee summons indebted or under any liability to the judgment debtor, naming him, in any manner, or upon any account, specifying, if indebted or liable, the amount, the interest thereon, the manner in which evidenced, when payable, whether an absolute or contingent liability; and the facts necessary to a complete understanding of such indebtedness or liability. When the garnishee shall be in doubt respecting any such liability or indebtedness he may set forth the facts concerning the same.

(2) Whether he held at the time aforesaid the title or possession of or any interest in any personal property or any instruments or papers relating to any such belonging to the judgment debtor or in which he is interested. If he admits any such interest or any doubt respecting the same he shall set forth a description of such property and the facts concerning the same, and the title, interest or claim of the judgment debtor in or to the same.

(3) If he claims any set-off or defense to any debt or liability or any lien or claim to such property he shall allege the facts.

(4) He may state any claim of exemption from execution on the part of the judgment debtor or other objection, known to him, against the right of the judgment creditor to apply upon his demand the debt or property disclosed.

(5) If he discloses any debt or the possession of any property to which the judgment debtor and other persons make claim he shall allege the names and residences of such other claimants and, so far as known, the nature of their claims.

Subd. 3. Form of disclosure. If interrogatories have been served, such interrogatories answered under oath shall be deemed a disclosure. If no interrogatories are served, the disclosure in any court by the garnishee shall be substantially in the following form:

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STATE OF MINNESOTA,
County of
Judgment Creditor vs.
Judgment Debtor and
Garnishee
I am the of the garnishee herein, and duly authorized to disclose for said garnishee.
On the 19, 19 the time of the service of gar- nishee summons herein on said garnishee:
(1) There was due and owing the judgment debtor above named,, from said garnishee, the sum of \$;
(State how evidenced, when
payable, whether an absolute or contingent liability. The amount disclosed above
need not exceed 110 per cent of the judgment creditor's judgment, after subtracting
from such total the total of items (3) through (5) below.) (2) There was in the possession of the garnishee the following personal prop- erty, instruments, and papers belonging to the above named judgment debtor:
(Describe the property and state the title or claim of judgment debtor to same.)(3) The garnishee claims the following set-off or defense or lien or claim to
such property; (4) The judgment debtor claims the following exemption from execution:
(5) claims ownership of, or an interest in, such property as fol- lows:
Subscribed and sworn to before me
this day of
19
Notary Public
571.50 EFFECT OF DISCLOSURE. Subject to the provisions of sections 571.51 and 571.52, the disclosure shall be conclusive against judgment creditor as

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to all property of judgment debtor. If the garnishee denies that he is indebted to judgment debtor or has any property of judgment debtor in his possession the filing in court of a copy thereof shall operate as a full discharge of the garnishee at the end of 20 days from date of service of such disclosure, in the absence of further proceedings as provided for in sections 571.51 and 571.52. The filing of objections to the disclosure or the filing of any motion or other proceedings shall operate as a stay of such discharge. The court may, upon proper showing, relieve the judgment creditor from the operation of such discharge after the expiration of 20 days. The garnishee may be discharged where the value of the property of judgment debtor held or indebtedness owing to judgment debtor does not exceed \$25, if the action is in district court, or where the value of the property of judgment debtor held or indebtedness owing to judgment debtor does not exceed \$10, if the action is in justice court, and the garnishee may apply to the court to be discharged as to any property or indebtedness in excess of the amount which may be required to satisfy judgment creditor's judgment.

[1945 c 424 s 10; 1969 c 1142 s 7]

571.51 ORAL DISCLOSURE; SUPPLEMENTAL COMPLAINT. Either before or after such written disclosure any party to the garnishment proceedings may obtain an ex parte order requiring oral disclosure. Such order may be obtained upon affidavit showing upon information and belief facts justifying the said order, and the court shall require the garnishee to appear for oral examination before the court. If the garnishee hold the garnished property by a title that is void as to judgment debtor's creditors, he may be charged therefor although the judgment debtor could not have maintained an action against him therefor; but in this, and in all other cases where the garnishee denies liability, the judgment creditor may move the court at any time before the garnishee is discharged, on notice to both the judgment debtor and the garnishee, for leave to file a supplemental complaint making the latter a party to the action, and setting forth the facts upon which he claims to charge him; and, if probable cause is shown, such motion shall be granted. The supplemental complaint shall be served upon both judgment debtor and garnishee, either or both of whom may answer, and the judgment creditor may reply. Such issues shall be brought to trial and tried as in other actions.

[1945 c 424 s 11; 1969 c 1142 s 8]

571.52 THIRD PARTY MAY INTERVENE. If it appears that any person not a party to the action has or claims an interest in any of the garnished property antedating the garnishment, the court may permit such person to appear and maintain his rights; and if he does not so appear, may direct that he be notified to appear or be barred of his claim. The notice in such case may be served in such manner as the court directs, and the person so appearing or notified shall be joined as a party and be bound by judgment against the garnishee.

[1945 c 424 s 12]

571.53 **DEFAULT.** If any garnishee who is duly summoned fails to serve his disclosure as required in this chapter, upon proof by affidavit of such facts, the court may render judgment against him for an amount not exceeding judgment creditor's judgment against judgment debtor or 110 percent of the amount claimed in the garnishee summons, whichever is the smaller but the court upon good cause shown may remove such default and permit the garnishee to disclose on such terms as may be just.

[1945 c 424 s 13; 1969 c 1142 s 9]

571.54 JUDGMENT AGAINST GARNISHEE. Judgment against a garnishee shall be rendered, if at all, for the amount due the judgment debtor, or so much thereof as may be necessary to satisfy the judgment creditor's judgment against such judgment debtor, with costs taxed and allowed in the proceeding against the garnishee but not to exceed 110 percent of the amount claimed in the garnishee summons. Such judgment shall acquit and discharge the garnishee from all claims of all the parties named in the process in and to the property or money paid, delivered, or accounted for by such garnishee by force of such judgment.

When any person is charged as garnishee by reason of any property in his possession other than an indebtedness payable in money, he shall deliver the same, or

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so much thereof as may be necessary, to the officer holding execution, and such property shall be sold and the proceeds accounted for in the same manner as if it had been taken on execution against the judgment debtor; but the garnishee shall not be compelled to deliver any specific articles at any time or place other than as stipulated in the contract between him and the judgment debtor.

[1945 c 424 s 14; 1969 c 1142 s 10]

571.55 LIMITATION ON GARNISHMENT. Subdivision 1. For the purposes of this section "disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

Subd. 2. The maximum part of the aggregate disposable earnings of an individual for any pay period which may be subjected to garnishment may not exceed the lesser of

(a) 25 percent of his disposable earnings for that pay period, or

(b) the amount by which his disposable earnings for that pay period exceeds the following product: eight times the number of business days and paid holidays, not to exceed five per calendar week, in such pay period times the federal minimum hourly wage prescribed by Section 6(a) (1) of the Fair Labor Standards Act of 1938, Title 29, United States Code, Section 206(a) (1), in effect at the time the earnings are payable.

Subd. 3. No court may make, execute, or enforce an order or process in violation of this section.

[1945 c 424 s 15; 1959 c 535 s 2; 1969 c 1142 s 11]

571.56 VALUE. Subdivision 1. Court may determine. Upon application of any party in interest, on notice, the court may determine the value of any property of judgment debtor in the hands of the garnishee and may make any order relative to the keeping, delivery or sale thereof, or touching any of the property, that is necessary to protect the rights of those interested, and may require the property to be brought into court or delivered to a receiver by it appointed. If the garnishee refuses or neglects to comply with any order of the court hereunder, he may be punished for contempt, and also shall be liable to the judgment creditor for the value of such property, less the amount of any lien.

Subd. 2. Lien of garnishee. If it appears that the garnishee has a lien on the property, or that it is in any way liable for the payment of a debt due to him, the judgment creditor, on motion, may be permitted to pay the amount thereof, and the amount so paid shall be repaid to judgment creditor, with interest, out of the proceeds of the sale of such property. The garnishee may sell the property to satisfy the lien, if a sale be authorized by his contract, at any time before such payment or tender.

Subd. 3. **Property destroyed.** If any garnished property be destroyed without negligence of the garnishee, the garnishee shall be discharged for all liability to the judgment creditor for the non-delivery thereof.

[1945 c 424 s 16; 1969 c 1142 s 12]

571.57 GARNISHEE FEES. A garnishee shall be paid \$2 fees at the time of service of garnishee summons and if required to appear and submit to oral examination shall be tendered his fees and mileage for attendance at the rate allowed by law to a witness, and in extraordinary cases, may be allowed such further sum as the court shall deem reasonable for his counsel fees and other necessary expenses. If he be charged as a garnishee, the amount of such fees and allowances may be recovered by judgment creditor out of the property in his hands. If charged as garnishee on account of specific articles of personal property, the garnishee shall not be required to deliver the same to an officer until payment of his reasonable charges for storage.

[1945 c 424 s 17; 1967 c 429 s 3; 1969 c 1142 s 13]

571.58 MINIMUM JUDGMENT. No judgment shall be rendered against a garnishee in a justice court where the judgment against the judgment debtor is less

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than \$10, exclusive of costs, or in the district court where the judgment against the judgment debtor is less than \$25, exclusive of costs, and, in all such cases, the garnishee shall be discharged.

[1945 c 424 s 18; 1969 c 1142 s 14]

571.59 DISCHARGE NOT A BAR. If any person summoned as a garnishee is discharged, the judgment shall be no bar to an action brought against him by the judgment debtor or other claimants for the same demand.

[1945 c 424 s 19; 1969 c 1142 s 15]

571.60 GARNISHMENT BY DEFENDANT. If the defendant recovers judgment against the plaintiff he may institute and prosecute garnishment under this chapter as if he were judgment creditor. For the purposes of such proceedings he is to be considered as judgment debtor, and his answer is deemed a complaint.

[1945 c 424 s 20; 1969 c 1142 s 16]

571.61 NO DISCHARGE FROM EMPLOYMENT FOR GARNISHMENT. Subdivision 1. **Prohibition.** No employer may discharge any employee by reason of the fact that his earnings have been subjected to garnishment unless there have been more than three garnishments within a 90 day period involving more than one indebtedness.

Subd. 2. **Remedy.** If an employer discharges an employee in violation of this section, the employee may within 90 days of such discharge bring a civil action for recovery of twice his wages lost as a result of the violation and for an order requiring his reinstatement.

[1945 c 424 s 21; 1967 c 9 s 1; 1969 c 1142 s 17]

571.62 TRANSFER TO ANOTHER COURT. In case any original action pending in a court not of record is transferred under the provisions of law to any other court, except by appeal, any garnishee proceeding is transferred therewith and written notice of such transfer, specifying the court to which the same is made shall be served by the judgment creditor on the garnishee. Such transfer shall carry with it all proceedings already had and any disclosure made therein.

[1945 c 424 s 22; 1969 c 1142 s 18]

571.63 CHANGE OF VENUE. In case of a change of venue in an action in the district court, whether before or after full disclosure, the garnishee proceedings shall be changed to the county to which the action is transferred.

[1945 c 424 s 23]

571.64 APPEAL. Any party to a garnishment proceeding deeming himself aggrieved by any order or final judgment therein may remove the same from the justice court to the district court, or from the district court to the supreme court, by appeal, in like case, manner, and effect, as in a civil action.

[1945 c 424 s 24]

571.65 IMPLIED REPEALS. The purpose of this chapter is to provide a uniform system of garnishment disclosure in all districts, municipal and justice courts, and all statutes or parts thereof inconsistent herewith are hereby amended to conform to this chapter.

[1945 c 424 s 25]

571.66 Subdivision 1. [Renumbered 181.063]

Subd. 2. [Repealed, 1953 c 110 s 4]

Subd. 3. [Repealed, 1953 c 110 s 4]

571.67 PENALTY IN CERTAIN GARNISHMENT PROCEEDINGS. Subdivision 1. A party who serves a garnishment summons prior to judgment in the main action is liable to the defendant named in the garnishment proceedings in the amount of \$50, except where the defendant is a nonresident.

Subd. 2. The garnishment shall be ineffective and the garnishee shall be discharged and relieved of any liability thereon if the amount garnished and attached

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is less than \$10. Any garnishment shall lapse and the garnishee thereof shall be discharged and relieved of any liability thereon after the expiration of three years from the date of service of the garnishment summons, providing the garnishee shall have given a 30 day written notice following said three year period, by certified mail to the last known address of the attorney for the garnishing party, or if he has no attorney, to the garnishing party, and within 30 days thereafter neither the garnishing party nor his attorney has objected in writing to said discharge.

[1959 c 535 s 1; 1967 c 689 s 5; 1969 c 1142 s 19]