

INSTRUCTIONS

Execution Levy on Funds at a Financial Institution

Forms you will need to levy on funds held at a financial institution if the debtor is an individual (not a business):

- Notice of Levied Funds (JGM602)
- Exemption Form (JGM401)
- Exemption Form Instructions (JGM406)

NOTE: These forms are not needed to levy on a business account. If you are collecting on a judgment against a business, contact court administration to request a Writ of Execution that you can deliver to the sheriff's office in the county where the debtor's financial institution is located.

Overview of Steps to Levy on Funds at a Financial Institution

1. Complete the caption information on the *Notice of Levied Funds* (JGM602) and the *Exemption Form* (JGM401), and fill in the contact information on the *Exemption Form Instructions* (JGM406).
2. Make copies of the *Notice of Levied Funds*, the *Exemption Form Instructions*, and the *Exemption Form*.
3. Ask for a Writ of Execution from court administration for the sheriff's office to serve on the debtor's financial institution.
4. Deliver the completed forms to the sheriff's office for service on the debtor's financial institution.

Important Notices and Resources

The Court has forms and instructions, for some types of cases, as a general guide to the court process. These instructions explain the steps in more detail and answer common questions, but are not a full guide to the law. Court employees may be able to give general information on court rules and procedures, but they cannot give legal advice.

Helpful materials may be found at your public county law library. For a directory, see <http://mn.gov/law-library/research-links/county-law-libraries.jsp> . For more information, contact your court administrator or call the Minnesota State Law Library at 651-296-2775.

General Information about Levying on Funds at a Financial Institution

The information in these instructions is a general guide to you to explain the legal process for levying on an account at a financial institution after being awarded a judgment against an individual (not a business). If you do not understand any of the following steps or do not know if these forms are right for your situation, you should speak with an attorney for legal advice. **Court staff cannot give legal advice.**

The execution levy process can be used to try to collect a judgment that you won in court. While people commonly refer to this process as “garnishing” someone’s wages or bank account, “execution levy” is the technical legal term that generally applies when the sheriff helps to collect the judgment.

Even if you win a judgment in court, it is not always easy to get paid. Sometimes a debtor’s income or assets are “exempt” from collection under [Minn. Stat. § 550.37](#) . Exempt money or assets cannot be collected from the other party. To view a summary of property that is exempt from collection, visit <http://www.mncourts.gov/GetForms.aspx?c=24&f=392> .

Definitions

- **“Judgment”** is a word that means “the judge’s decision” or “the judge’s order.”
- **"Creditor"** is the party who won the case and is owed money (because a judgment was awarded by the court).
- **"Debtor"** is the party who lost the case and owes money to the creditor.
- **"Entry" or "Entered"** is the word used when a judgment is filed in the case by the Court Administrator. This usually starts the timeframe during which a judgment can be appealed.
- **"Docketed" or “Docketing”** is the word used when the creditor files an *Affidavit of Identification* form with the court. Docketing the judgment is the first step a creditor takes when he or she wants to try to collect payment of the judgment.
- **“Levy” or “Execution Levy”** is the action taken by the Sheriff to collect money owed to the creditor.
- **“Financial Institution”** generally refers to the bank where the debtor has an open account.

Example: The creditor won the case against the debtor and a judgment was entered. The creditor docketed the judgment and set up an execution levy by the sheriff on the debtor’s account with the financial institution.

A judgment can be enforced at any time for ten (10) years from the date it was entered. It can also be “renewed” if not satisfied (paid) within the 10 years.

NOTE: The steps listed below can be followed to try to collect a judgment when the debtor is an individual who has money in an account at a financial institution (such as a bank) and you have information about the debtor’s financial institution.

If you do not already know this information about the debtor, you will not be able to levy on the debtor’s funds until you collect this information. To read more about how to find out this information through the *Financial Disclosure* form (JGM301), visit <http://www.mncourts.gov/Help-Topics/Judgments.aspx>.

Got a question about court forms or instructions?

- Visit www.MNCourts.gov/SelfHelp
- Call the MN Courts Self Help Center at (651) 259-3888

Not sure what to do about a legal issue or need advice?

- Talk with a lawyer
- Visit www.MNCourts.gov/Find-a-Lawyer.aspx

Step 1

Complete the caption information on the *Notice of Levied Funds* (JGM602) and the *Exemption Form*, and fill in contact information on the *Exemption Form Instructions* (JGM406).

<p>State of Minnesota</p> <p>County 1</p> <p>5</p> <hr/> <p>Name of Creditor (first, middle, last) and 6</p> <hr/> <p>Name of Debtor (first, middle, last) 7</p> <hr/> <p>Name of Third Party (Debtor’s Financial Institution)</p>	<p style="text-align: right;">District Court</p> <p>Judicial District: 2</p> <p>Court File Number: 3</p> <p>Case Type: 4</p> <p style="text-align: center;">Notice of Levied Funds</p>
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1. Fill in the county where the judgment was entered. If you are unsure of any information needed for the caption, you can find this information on any official court document from your case.
2. Fill in the Judicial District for the county where the judgment was entered. If you do not know the Judicial District, you can find a map with all of the Judicial Districts at <http://www.mncourts.gov/Find-Courts.aspx> .
3. Fill in the Court File Number from the case where the judgment was docketed. Sometimes the court assigns a new Court File Number when a judgment is docketed (for example, the Court File Number will be different for a Conciliation Court case where a judgment was entered than for the District Court case opened to docket the judgment). Be sure to enter the Court File Number for the case where the judgment was docketed.
4. Fill in the case type. This will generally be “Civil,” but in some cases it could also be something like “Restitution Judgment,” “Dissolution,” or “Support.”
5. Fill in your first, middle, and last name as the creditor.
6. Fill in the first, middle, and last name of the debtor.
7. Fill in the name of the debtor’s financial institution.

There is no need to write anything on the form where it says “Your account balance is _____” or “The amount being held is _____” because this information will be provided by the debtor’s bank. Leave these two areas blank.

Complete the caption on the *Exemption Form* (JGM401) the same way as above, but leave the rest of this document blank.

On the *Exemption Form Instructions* (JGM406), fill in your name and address, as well as the name and address of the financial institution, so that the debtor knows where to mail his or her *Exemption Form* (JGM401) if necessary.

Step 2

Make copies of the completed forms.

Make copies of your completed forms:

- 1 copy of the *Notice of Levied Funds* (JGM602) for your records.
- 1 copy of the *Exemption Form Instructions* (JGM406) for your records.
- 2 copies of the *Exemption Form* (JGM401) – 1 for your records, and 1 for the sheriff to serve on the financial institution.

Step 3

Get a Writ of Execution from court administration.

Contact court administration in the county where your judgment was docketed and request a Writ of Execution. Contact information for court administration in each county can be found here: <http://www.mncourts.gov/Find-Courts.aspx> (choose your county from the drop-down menu and click “Go”).

The name on the debtor’s bank account must be the same as the name of the judgment debtor on the Writ of Execution, otherwise the financial institution will not collect the money. It is possible to levy on a joint account as long as the debtor is named on the account.

Court administration will charge a fee for issuing the Writ of Execution, but this fee can be added to the amount of the judgment owed. If you cannot afford to pay this fee, you can ask for a fee waiver by completing the application in the [In Forma Pauperis/IFP](#) packet of forms (found online at www.mncourts.gov/forms). If a judge does not sign the order granting you a fee waiver, then you must pay the fee before court administration can issue the Writ of Execution.

A Writ of Execution is an order issued by District Court telling the sheriff to collect money to satisfy a judgment. The Writ should be directed to the sheriff of the county where the debtor’s financial institution is located. For example, if the debtor’s bank is in Anoka County, the Writ should be directed to the Anoka County Sheriff’s Department. A Writ of Execution expires 180 days after the date it was issued by court administration.

Step 4

Deliver the Writ of Execution and other paperwork to the sheriff’s office for service.

When you get the Writ of Execution from court administration, you will need to sign it and deliver it to the sheriff’s office that will be collecting the judgment for you (this is sometimes called “conducting a bank levy”). If the judgment debtor is an individual (not a business), you will also need to give the sheriff’s office copies of these forms you completed in Step 1:

- *Notice of Levied Funds* (JGM602) – 1 copy
- *Exemption Form Instructions* (JGM406) – 1 copy
- *Exemption Form* (JGM401) – 2 copies

You must also give the sheriff's office a check for \$15 witten out to the debtor's financial institution. The sheriff will give the check to the financial institution when they serve the Writ of Execution. The sheriff's office may also require you to pay a deposit to help cover its costs for executing the Writ.

Money in the debtor's bank account is frozen the day the sheriff serves the Writ of Execution and the other paperwork on the financial institution. The financial institution will serve the *Notice of Levied Funds, Exemption Form Instructions*, and two copies of the *Exemption Form* on the debtor by sending them in the mail to their last known address within two business days of being served by the sheriff. The debtor then has 14 days from the date of mailing to complete the *Exemption Form*, attach bank statements for the prior 60 days, and send one copy of these documents to the creditor (you) or the creditor's attorney and one copy to the financial institution.

If the debtor properly completes the *Exemption Form* and delivers copies within 14 days, all money that the debtor claims is exempt will be unfrozen and released by the financial institution back to the debtor unless you file an objection to the exemption.

Step 5 (Optional)

Complete the *Creditor's Notice of Objection and Notice of Hearing on Exemption Claim* and send copies to the debtor, the financial institution, and the court.

If you do not agree with the exemptions claimed by the debtor, you can complete the *Creditor's Notice of Objection and Notice of Hearing on Exemption Claim* (JGM403). You must file the objection with the court along with a \$1 filing fee. Court administration will schedule a hearing date that will take place five to seven days later. After the hearing date has been filled in, make three copies of the objection form. One copy will be for you to keep for your records, and the other copies will be for the debtor and the financial institution.

You must mail or deliver one copy of the completed objection form (with the hearing date filled in) to the financial institution and one copy to the debtor within six business days of receiving the exemption claim by the debtor. The debtor can request more time for the court hearing by sending notice to you and to the court, but the rescheduled hearing must happen within seven days of the original hearing.

You must attend the court hearing to explain your objection to the debtor's exemption claim. The court will issue an order deciding whether the debtor's funds are exempt within three days of the hearing. If you do not know how to prepare for the hearing, it is a good idea to get legal advice.
