

How to Claim Personal Property Exemptions

Should I read this?

Yes, you should read this if you are sued on a debt in a Washington state court and you lose. The court will enter a money judgment against you. The plaintiff - also known as the *creditor* or *judgment creditor* - can collect on the judgment.

Even if there is a judgment against you, some or all your personal property may be protected (it may be *exempt*) from creditors. That means it cannot be taken to collect on a judgment (to *satisfy a judgment*) against you.

These exemptions may not protect you from:

- Collection for child support debts.
- Tax debts.
- Certain types of insurance claims by the State.
- Judgments for any part of the sale price of the personal property.
- Collection for federal student loan debts.

What is “exempt property”?

Something you own (called your *property*) is **exempt** if a creditor cannot legally take it to collect on a judgment against you.

What property is exempt?

The main exemptions are:

- **Supplemental Security Income (SSI) benefits**
- **Social Security Disability, Retirement and Survivor benefits**
- **Veterans benefits**
- **Temporary Assistance for Needy Families (TANF) benefits**
- **Aged, Blind, or Disabled (ABD) benefits**
- **Unemployment benefits**
- **Child support you receive**
- **Federal student loans**
- **Retirement pensions**
- **Workers compensation**
- **The home you live in.** Your home is exempt if you have up to \$125,000 equity in your home or you can claim the median sale price of a single-family home in your county the previous calendar year, if that is more than \$125,000. Equity is the amount of money you would keep after you sold your home and paid off the mortgage and other liens. You can find the median sale price of homes in your county at wcrer.be.uw.edu/archived-reports.
- **Money in your bank account**
 - \$2,500 is exempt if your only judgment is for private student loan debt
 - \$2,000 is exempt if the judgment you are being garnished for is consumer debt (see below)
 - \$500 in your bank account is exempt for all other debts (plus \$1,000 cash, for a total exemption of \$1,500)



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- ❖ Most garnishments of wages and bank accounts are judgments for **consumer debt**. These include debts from credit cards, doctor and hospital bills, utility and phone bills, personal loans from a bank or credit union, debts owed to a landlord or former landlord, or any other debt for personal, family, or household purposes.
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Automatic Exemption: Even though some or all the money in your account may be exempt from garnishment, the bank may not take the money from your account **above** these amounts:

- \$1,000 is automatically exempt if your only judgment is for private student loan debt
- \$1,000 is automatically exempt if the judgment you are being garnished for is consumer debt
- \$500 in your bank account is exempt for all other debts (and \$1,000 additional cash, for a total exemption of up to \$1,500)

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- ❖ **Example:** You have \$1,700 in your bank account. The bank gets a writ of garnishment from the creditor for consumer debt. The bank will freeze \$700 because \$1,000 is automatically protected. (This means \$1,000 will remain in your account and is available to you.) The remaining \$700 is still exempt because \$2,000 in a bank account is protected. However, you **must** file an exemption claim form to get the extra \$700 released to you.
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- **Wages (pay from your job)** — The amount of exempt wages depends on how much you earn and what the judgment was for.

1. Consumer judgments (for consumer debt)

If you earn less than any of these amounts, all your wages are exempt:

- \$569.80 weekly (35x the state minimum hourly wage)
- \$1,139.60 every 2 weeks
- \$1,234.57 twice a month
- \$2,469.13 monthly



- Even if you earn more than these amounts, you can keep 35x the state minimum hourly wage or 80% of your **net pay**, whichever is more. **Net pay** is your earnings after subtracting mandatory deductions. **Mandatory deductions** include Social Security, Medicare, and federal income taxes.

2. Private student loan judgments

If you earn less than any of these amounts and your only judgment is for a private student loan, all your wages are exempt.

- \$953.00 weekly (50x the highest minimum hourly wage in the state)
- \$1906.00 every 2 weeks
- \$2,064.83 twice a month
- \$4,129.66 monthly
- Even if you earn more than these amounts, you may still keep 50x the highest minimum hourly wage in the State or 85% of your net pay, whichever is more

3. Other judgments (not consumer or private loan judgments)

If you earn less than any of these amounts, all of your wages are exempt.

- \$253.75 weekly
- \$507.50 every 2 weeks
- \$549.79 twice a month
- \$1,099.58 monthly
- Even if you earn more than these amounts, you may still keep 35x the federal minimum wage or 75% of your net pay, whichever is more.
- **Clothing and jewelry** —up to \$3,500 in value.
- **Books and digital media**—up to \$3,500 in value.
- **All “professionally prescribed health aids”** for you and your dependents. **Examples:** wheelchairs and motorized scooters, if your doctor wrote a note or prescription for them.



- **Household goods, appliances, furniture, food/groceries (provisions), and fuel**, up to \$6,500 in value for one person. No one thing can be more than \$750.
- **Equity in one motor vehicle used for personal transportation**, valued at up to \$15,000.
- **Tools and instruments needed for your trade**, up to \$15,000 in value.
- **Money paid or owed to you for bodily injury** (not including for pain & suffering or money you lost) of yourself or dependents, up to \$20,000.
- **Compensation for lost future earnings**, to the extent reasonably necessary to support you and your dependents.

In the case of married persons or registered domestic partners, each spouse/partner is entitled to the exemptions of personal property, which may be combined with the other spouse's exemption in the same property.

What is the value of my exempt property?

Its value is what it would sell for (its fair market value) at the time you claim it as exempt.

How do I claim these exemptions?

If a third party, like a bank or employer, has your property, including money in a bank account, the creditor can go to court and get a “writ of garnishment” (formal written order of garnishment) that goes to the third party. The creditor must mail or serve on you both of these:

- 1. A Notice of Garnishment and Your Rights.** See Sample #1.
- 2. An Exemption Claim Form.** See Samples #2 and #3.

If you get the writ within 7 days of the date of its issuance, you must fill out form #2 **or** #3 and hand-deliver one (1) copy to the court clerk and mail or hand-deliver one (1) to the creditor or creditor’s lawyer (whoever signed the writ of garnishment), within 28 days after the date on the writ of garnishment.

Use Sample #3 **only** if the writ went to your employer to garnish your pay. Otherwise, use

Sample #2.

If the creditor serves the writ more than 7 days from the date of the writ's issuance, you have 21 days to fill out form #2 or #3 and mail or hand-deliver one (1) copy to the court clerk and mail or hand-deliver one (1) to the creditor or their lawyer. You can read the state law about this at [RCW 6.27.160 \(1\)](#).

I sent the creditor an exemption claim form. Now what?

The creditor has 7 days after getting your exemption claim form to object to it.

If the creditor does not object, the creditor must direct the garnishee to give back (release) the exempt property to you no more than 10 days after the creditor gets your claim form.

If the creditor objects, they must file a statement explaining why **and** schedule a court hearing within 14 days after getting your exemption claim form.

❖ The **garnishee** is the party who has your property, such as the bank holding your money.

If the judge at the hearing orders the release of your exempt property, or the creditor did not object, the creditor must deliver an order releasing the exempt property to the garnishee holding your property. If the creditor does not do this, see a lawyer. You can sue the creditor for any damages you suffer, plus a \$50 penalty, if they do not take steps to timely release your exempt property.

❖ If you make an exemption claim that is not in good faith, you may be ordered to pay lawyer fees.

Get Legal Help

- **Apply online:** nwjustice.org/apply-online
- **Facing Eviction?** Call 1-855-657-8387
- **Facing Foreclosure?** Call 1-800-606-4819
- **Facing a legal issue in King County** (other than Eviction or Foreclosure)? Call 211 (or toll-free 1-877-211-9274) weekdays 8:00 am to 6:00 pm. They will refer you to a legal aid provider.
- **Facing a legal issue outside of King County** (other than Eviction or Foreclosure)? Call the CLEAR Hotline at 1-888-201-1014 weekdays between 9:15 am and 12:15 pm or apply online at nwjustice.org/apply-online.
- **Seniors (age 60 and over)** with a legal issue outside of King County can also call CLEAR*Sr at 1-888-387-7111

Deaf, hard of hearing or speech impaired callers can call any of these numbers using the relay service of your choice.

Interpreters provided.

This publication provides general information concerning your rights and responsibilities. It is not intended as a substitute for specific legal advice.

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Sample #1

NOTICE OF GARNISHMENT AND OF YOUR RIGHTS

A *Writ of Garnishment* issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the *Writ of Garnishment*. You should receive a copy of your employer's answer, which will show how the exempt amount is calculated.

A garnishment against wages or other earnings for child support may not be issued under Chapter 6.27 RCW.

- If the garnishment is for private student loan debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is 85 percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or 50 times the minimum hourly wage of the highest minimum wage law in the state, at the time the earnings are payable.
- If the garnishment is for consumer debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is 80 percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or 35 times the state minimum hourly wage.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits, such as Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Social Security, Veteran's Benefits, Unemployment Compensation, or any federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent, are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts property of your choice (including up to \$2,500 in a bank account, if this garnishment is for private student loan debts; up to \$2,000 in a bank account, if this garnishment is for consumer

debts; or up to \$500 in a bank account for all other debts) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in the instructions on the claim form. If the plaintiff does not object to your claim, the funds (or other property that you have claimed as exempt) must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and a notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

1 **Sample #2**

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7 _____ **Court of Washington**
8 **County of** _____

9 vs. Plaintiff,
10 Defendant(s),
11 Garnishee.

No.
Exemption Claim
(Writ to garnish funds or property
held by a financial institution)
(EXMPCL)

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13 **INSTRUCTIONS:**

- 14 1. Read this whole form after reading the enclosed notice. Then put an X in the box or
15 boxes that describe your exemption claim or claims and write in the necessary
16 information on the blank lines. If additional space is needed, use the bottom of the
17 last page or attach another sheet.
- 18 2. Make two copies of the completed form. Deliver the original form by first class mail
19 or in person to the clerk of the court, whose address is shown at the bottom of the
20 Writ of Garnishment. Deliver one of the copies by first class mail or in person to the
21 plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of
22 the writ. Keep the other copy. **YOU SHOULD DO THIS AS QUICKLY AS
23 POSSIBLE, BUT NO LATER THAN 28 DAYS (4 weeks) AFTER THE DATE ON THE
24 WRIT.**

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

The account contains payments from:

TANF, SSI, or other public assistance. I receive \$ _____ monthly.

- Social Security. I receive \$ _____ monthly.
- Veteran's Benefits. I receive \$ _____ monthly.
- Unemployment Compensation. I receive \$ _____ monthly.
- Child support. I receive \$ _____ monthly.
- Pensions and retirement accounts including, but not limited to, U. S. Government Pension, federally qualified pension, individual retirement account (IRA) 401K, 403(b) and any state retirement system listed in RCW 41.50.030. I receive \$ _____ monthly.
- Other: *(Explain:)* _____

- \$2,500 exemption if this garnishment is for private student loan debts.
- \$2,000 exemption if this garnishment is for consumer debts.
- \$500 exemption for all other debts.

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING:

- No money other than from above payments are in the account.
- Moneys in addition to the above payments have been deposited in the account.
(Explain:)

OTHER PROPERTY:

- Describe property: (If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

Print: Your name

If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner

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Your signature

Signature of husband, wife, or state registered domestic partner

Address

Address (if different from yours)

Telephone number

Telephone number (if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

1 **Sample #3**

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7 _____ **Court of Washington, County of** _____

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9 _____ Plaintiff,
10 vs. _____
11 _____ Defendant(s),
12 _____ Garnishee.

No.
Exemption Claim
(Writ directed to employer to
garnish earnings)
(EXMPCL)

13 **INSTRUCTIONS:**

- 14 1. Read this whole form after reading the enclosed notice. Then put an X in the box or
15 boxes below that describe your exemption claim or claims and write in the necessary
16 information on the blank lines. If additional space is needed, use the bottom of the
17 second page of this form or attach another sheet.
- 18 2. Make 2 copies of the original completed form. Deliver the original form by first class
19 mail or in person to the clerk of the court, whose address is shown at the bottom of
20 the *Writ of Garnishment*. Deliver one of the copies by first class mail or in person to
21 the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom
22 of the writ. Keep the other copy. **YOU SHOULD DO THIS AS QUICKLY AS
23 POSSIBLE, BUT NO LATER THAN 28 DAYS (4 weeks) AFTER THE DATE ON THE
24 WRIT.**

I/We claim the following money or property as exempt:

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

[] Name and address of employer who is paying the benefits:

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IF EARNINGS ARE GARNISHED FOR PRIVATE STUDENT LOAN DEBT:

[] I claim the maximum exemption.

IF EARNINGS ARE GARNISHED FOR CONSUMER DEBT:

[] I claim the maximum exemption.

Print: Your name

If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner

Your signature

Signature of husband, wife, or state registered domestic partner

Address

Address (if different from yours)

Telephone number

Telephone number (if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.