



SOCIONEWS



LAW

NEW RATES OF ASSIGNMENT AND GARNISHMENT OF WAGES AS OF 1 APRIL 2023

The wage garnishment is a legal procedure allowing a creditor to obtain payment of an amount owed to him by the employee debtor by blocking a part of his wage directly from his employer.

The assignment of wages, on the other hand, is a contractual commitment whereby the employee assigns part of his remuneration as a guarantee for the repayment of a contracted debt.

The mechanism of garnishment and assignment presupposes the intervention of three persons:

- the garnishee or the assignee: this is the natural or legal person who is the creditor who carries out the garnishment/assignment;

- the garnishor or assignor: this is the natural person who is a debtor and who has part of his remuneration blocked as a result of the garnishment/assignment;
- the third-party garnishee or the debtor-assignor: this is the employer or organisation liable to pay the periodic remuneration.

According to the amended law of 1970 ¹, remunerations as well as pensions and annuities are divided into five brackets which are fixed by Grand-Ducal regulation and which can be assigned or garnished as indicated in the table below.

These brackets have actually been adapted by Grand-Ducal regulation ². The new limits appear in bold.

Brackets	Monthly limit per bracket before 1 April 2023	Monthly limit per bracket as of 1 April 2023	Percentage eligible for garnishment
1	up to €722	up to €850	unattachable
2	more than €722 to €1.115	more than €850 to €1.300	10%
3	more than €1.115 to €1.378	more than €1.300 to €1.600	20%
4	more than €1.378 to €2.296	more than €1.600 to €2.600	25%
5	starting from €2.296	starting from €2.600	unlimited

1 Article 4 de la loi modifiée du 11 novembre 1970 sur les cessions et saisies des rémunérations de travail ainsi que des pensions et rentes.

2 Règlement grand-ducal du 1^{er} mars 2023 fixant les taux de cessibilité et de saisissabilité des rémunérations de travail, pensions et rentes, Mémorial A n°106 du 7 mars 2023

