



Instructions for Form EDC-111, Debtor Information and Interrogatories to Employer

Part 1: General information about the levy notice

Note Use these instructions for all versions of Form EDC-111 (for example, Form EDC-111-C, Form EDC-111-L, etc.). References to Form EDC-111 include all versions of the form.

Why did I receive this notice?

Our records indicate that you are the debtor's employer or you owe the debtor compensation. We sent you this levy notice because the debtor neglected or refused to pay our demand for the amount due. We are authorized to do this according to Illinois statutes. The statutes are printed on the back of these instructions.

What is a levy notice?

The levy notice is a lien on all amounts that you owe the debtor from the time you are served this notice until the levy is no longer in effect.

The levy attaches to all

- wages,
- salaries,
- bonuses, and
- commissions.

You are required to withhold a portion of payments you owe the debtor and send these amounts to us. We will apply the payments you send us to this debtor's liability.

How long is the levy in effect?

The levy is effective until one of the following occurs:

- The liability shown on this levy is fully paid;
- The debtor is no longer employed by you; or
- We issue a levy release.

How should I respond to the levy notice?

If you do **not** owe this debtor any funds, complete Step 1 and Step 3 of Form EDC-111 and return it to us in the enclosed envelope immediately. Be sure to mark the box that indicates you do not owe the debtor any funds. **You do not need to read the rest of these instructions.**

If you **do** owe this debtor funds, read Part 2 of these instructions. Keep a copy of the levy notice for your records and give a copy to the debtor.

How much am I required to withhold?

Unless the debtor is entitled to specific exemptions, you **must** withhold, for each work week, the lesser of the following:

- 15 percent of the gross weekly wages, or
- the amount by which disposable earnings exceed 45 times the federal minimum hourly wage in effect at the time the amounts are payable.

Note: "Disposable earnings" means the amount of earnings remaining after the amounts required by law to be withheld, including deductions for social security, federal, and state taxes are subtracted.

Part 2: Complete Form EDC-111, Debtor Information and Interrogatories to Employer

General Information

Must I complete Form EDC-111?

You must complete this form if you receive a levy notice for a person that you currently employ.

When is Form EDC-111 and the payment due?

Please send the first payment at the close of your next payroll period or by the last day of next month, whichever is **earlier**. If the amount you send us does not fully pay this debtor's liability (*i.e.*, the total amount due on the levy notice), you must send additional payments. These additional payments must be sent with a completed Form EDC-111. You **must** send Form EDC-111 and your payment not less frequently than once every two months. You may, however, send payments more often if you prefer. **Return a copy of Form EDC-111 each time that you mail a payment.** Each time you send a payment to us, you must mail or hand-deliver one copy of Form EDC-111 to the debtor. You may photocopy this form, but it must have an **original** signature (**not** a photocopy).

Specific Instructions

Step 1: Provide the following debtor information

Please provide the requested information. If you do not know the answer to one of the questions, write "not known" on the line provided. If this is your last payment, be sure to check the box that best describes why this is your last payment. If you no longer employ the debtor, write the date the debtor left your service.

Step 2: Answer the following interrogatories

You **must** compute the amount to withhold on a weekly basis (even if your payroll is not weekly). Before you calculate the amount to withhold, you must determine if the debtor is entitled to any exemptions. The following persons or items are exempt from levy:

- officers, employees, or elected officials of any state other than Illinois,
- wages of persons who are "seamen" as defined in 46 U.S.C.A. 713, and
- pension and retirement benefits and refunds.

If you are required to withhold payments for child support, write the weekly amount of child support on the line provided.

Column A — Write the debtor's gross wages.

Column B — Multiply Column A by 15 percent (0.15) and write the result.

Column C — Write the total amount of Social Security, federal tax, and state tax required to be withheld.

Column D — Subtract Column C from Column A. The result is the debtor's disposable earnings.

Column E — Multiply the minimum hourly wage by 45 and write the result.

Column F — Subtract Column E (45 times minimum wage) from Column D (disposable earnings).

Column G — Compare the amounts you wrote in Columns B and F. Write the smaller amount.

Column H — Subtract the amount of child support payments from the figure in Column G. Send any amount that remains to us.

Instructions for payments: Please refer to Step 2 on the form for the total and to whom to make your remittance payable. **Attach** your payment to the completed Form EDC-111. Send it to us in the enclosed envelope. If you are required to send us additional payments, please send these payments to the office address shown on your copy of the levy. **Please write the debtor's name, debtor ID number, case ID number (if different), and the words "levy proceeds" on your remittance.**

Step 3: Sign below

You must sign that your answers to the interrogatories are true and complete and have the form notarized. Remember to mail or hand-deliver a copy of Form EDC-111 to the debtor.



Excerpt from
Illinois Compiled Statutes

From 35 ILCS 5/1109 of the Income Tax Act and 35 ILCS 120/5f of the Retailers' Occupation Tax Act.

In addition to any other provisions of this Section, any officer or employee of the Department designated in writing by the Director, may levy upon the following property and rights to property belonging to a taxpayer: contractual payments, accounts and notes receivable and other evidences of debt, and interest on bonds, by serving a notice of levy on the person making such payment. Levy shall not be made until the Department has caused a demand to be made on the taxpayer in the manner provided above. In addition to any other provisions of this Section, any officer or employee of the Department designated in writing by the Director, may levy upon the salary, wages, commissions and bonuses of any employee, including officers, employees, or elected officials of the United States as authorized by Section 5520a of the Government Organization and Employees Act (5 U.S.C. 5520a), but not upon the salary or wages of officers, employees, or elected officials of any state other than this State by serving a notice of levy on the employer, as defined in Section 701(d). Levy shall not be made until the Department has caused a demand to be made on the employee in the manner provided above. The provisions of Section 12-803 of the Code of Civil Procedure relating to maximum compensation subject to collection under wage deduction orders shall apply to all levies made upon compensation under this Section. To the extent of the amount due on the levy, the employer or other person making payments to the taxpayer shall hold any non-exempt wages or other payments due or which subsequently come due. The levy or balance due thereon is a lien on wages or other payments due at the time of the service of the notice of levy, and such lien shall continue as to subsequent earnings and other payments until the total amount due upon the levy is paid, except that such lien on subsequent earnings or other payments shall terminate sooner if the employment relationship is terminated or if the notice of levy is rescinded or modified. The employer or other person making payments to the taxpayer shall file, on or before the return dates stated in the notice of levy (which shall not be more often than bimonthly) a written answer under oath to interrogatories, setting forth the amount due as wages or other payments to the taxpayer for the payment periods ending immediately prior to the appropriate return date. A lien obtained hereunder shall have priority over any subsequent lien obtained pursuant to Section 12-808 of the Code of Civil Procedure, except that liens for the support of a spouse or dependent children shall have priority over all liens obtained hereunder.

Illinois law (735 ILCS 5/12-803 of the Code of Civil Procedure) and Federal law (15 U.S.C. 1673) define "maximum wages subject to collection."

Federal law places a ceiling of 25% of the amount of an employee's disposable earnings subject to garnishment, so long as state law does not prohibit garnishment or provide for more limited garnishment than is allowed by federal law.

"The maximum wages, salary commissions, and bonuses subject to collection under a deduction order, for any work week shall not exceed the lesser of (1) 15% of such gross amount paid for that week, or (2) the amount by which *disposable earnings* (emphasis added) for a week exceed 45 times the Federal Minimum Hourly Wage prescribed by Section 206(a)(1) of Title 29 of the United States Code, as amended, in effect at the time the amounts are payable.... The term "*disposable earnings*" (emphasis added) means that part of the earnings of any individual remaining after the deduction from those earnings of any amounts required by law to be withheld." (735 ILCS 5/12-803)