

# Collection Laws and States Regulations

The following Summary is intended as a quick reference to the subjects covered. It does not reflect **Federal Statutes**, and it may not reflect amendments to the laws of all states. This chart should not be construed as legal advice and readers should not act upon the information contained in it without professional counsel.

LOCATION	STATUE OF LIMITATIONS				STATE INTEREST RATE	BAD CHECK LAWS	GENERAL GARNISHMENT EXEMPTION	
	Open Accounts Years	Contracts in Writing Years	Domestic Judgments	Foreign Judgments	Legal Rate	Judgment Rate	Civil Penalty	
UNITED STATES	3	6	20	20	6%	12%	Greater of \$10 or actual bank charges	75% of wages are exempt from garnishment.
ALABAMA	3	6	20	20	6%	12%	Greater of \$10 or actual bank charges	75% of wages are exempt from garnishment.
ALASKA	6	6	10	10	6.25%	6.25% or contractual	Damages in amount equal to \$100 or triple the amount of the check whichever is greater (but no more than \$1,000 over the amount of the check.	\$1,750 per month for earning exemption. May be increased to \$2,750 per month if qualified for head of household (no one else in household earning any money).
ARIZONA	3	6	5	4	10%	10% or contractual	Twice the amount of check. costs of suit. reasonable attorney fees.	See federal law.
ARKANSAS	3 (2 if medical)	5 (renewable)	10 (renewable)	10 (renewable)	6% or 5 points above fed. discount rate	5 points above the fed. discount rate	Twice amount of check - prior to double charge - can start out with \$25 per NSF check after 30 days.	\$500 head of family, \$200 single. Include personal property except clothing.
CALIFORNIA	4	4	10	10	10%	10% or contractual	Amount due, treble damages - min \$100 max \$1,500 per check	See federal law, exemptions for necessities of life.
COLORADO	6	6	20	6	8%	8% or contractual	Treble damages and reasonable attorney fees	See federal law.
CONNECTICUT	6	6	20	No prov	8%	10°1° (5% arising from hospital services)	Personal liability of signatory on corporate claims unless signed in corporate capacity Liability of drawer, if no account, equal to lesser of \$750 or face amount For insuff. funds, lesser of \$400 or face amount.	25% of disposable earnings each week, or amount by which disposable earnings exceed 40xfed min. hourly wage, whichever is less.
DELAWARE	3	3	No prov.	No prov.	6% or contractual	Legal rate or contract rate	N/A	Cannot exceed 15% of disposable earnings or reduce disposable earnings to less than \$150 per week.
DISTRICT OF COLUMBIA	3	3	3	No prov.	4%	70% of interest rates on taxes to IRS.	Amount due - protest fees.	See federal law. DC government employees are now garnishable.
FLORIDA	4	5	20	7	7%	7% up to	face value of the check plus	FL has opted out of federal bankruptcy

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						18% if contractual	\$25 - \$40 depending upon amount of check, or 5% of the value, whichever is greater. If suit required, after 30 day demand, treble amount in addition to amount owed, bank & court costs & reasonable attorney fees	exemptions. 100% head of household. Liberal Homestead Exemption. Life insurance proceeds and/or cash value of policy, disability income, pension monies and retirement funds are exempt.
GEORGIA	4	6	7	5	7%	Prime +3%	After 10 day written demand, double damages up to \$500 and service charge of \$25 or 5% whichever is greater.	See federal law. City, county and state employees may be garnished.
HAWAII	6	6	10	6	10%	10%	Damages equal to \$100 or triple amount of check, not to exceed \$500	95% of first \$100, 90% of next 100\$ and 80% of wages in excess of \$200 per mo. of federal limits, whichever is greater
IDAHO	4	5	6	6	12%	7.125%	Triple amount of check (min. \$100) up to \$500 over the check amount	See federal law.
ILLINOIS	5	10	20	5	5%	9%	Triple check amount up to \$1,500, attorney fees and court costs. Statue of limitations: 3 years.	15% of gross wages or disposable earnings for work week up to 45 x fed. min. hourly wage, whichever is greater.
INDIANA	6	10 - Executed before 9/1/82 6- Executed after 8/31/82	20 (10 real estate)	10	8% or contractual	8% or contractual	Triple check amount up to \$500 over check amount + attorney fees & interest up to 18% per annum or triple check amount + attorney fees & interest at judgment rate & costs.	75% of disposable earnings for work week or amount of 40x fed. min. hourly wage, whichever is greater.
IOWA	5	10	20	20	Legal floating rate per T-Bill	Legal floating rate per T-Bill	537.2501G allows 5% of check or \$20, whichever is greater. 625.22 allows for reasonable attorney fees.	See Iowa code Chapter 627.
KANSAS	3	5	5(renewable)	5(renewable)	10%	6.25%	Three times check amount not exceeding the check amount by \$500 or \$100 whichever is greater plus attorney fees & court costs plus amount of check.	See federal law.
KENTUCKY	5	15	15	15	8%	12%	N/A	75% of disposable income or 30x fed.

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LOUISIANA	3	10	10	10	6%	6%	After 30 day written demand twice check at., atty fees & court costs	min hourly wage whichever is greater. 75% of disposable earnings per work week, but not less than 30xfed min. hourly wage.
MAINE	6	6	20	20	T-BiLL+3%	T-BiLL+6%	Amount due, court costs, service costs and collection costs.	May garnish 25% of disposable income or the amount by which a debtor's income exceeds the min. hourly wage (whichever is less). After judgment only.
MARYLAND	3	3	12	12	6%	10% or contractual	After 30 day written notice, amount due, \$25 fee, twice check amount up to \$1,000 (at the discretion of the court). Applies to COD sales only.	Greater of 75% of net wage or 30 x fed. min. wage.
MASSACHUSETTS	6 (UCC 4)	6 (UCC 4)	20	20	12%	12%	Amount due, costs of suit, protest fees Additional damages of \$100 - \$500 can be assessed.	\$125/wk.
MICHIGAN	6	6	10 (renewable)	10	5%(7% if in writing)	1% over Treasury note or contractual Face amount of check plus twice the amount of check or \$100 per check, whichever is greater plus costs of \$250.	Face amount of check plus \$100 per check, whichever is greater plus costs of \$250.	See federal law. twice the amount of the check
MINNESOTA	6	6 (UCC 4)	10 (renewable)	10 (renewable)	6%	4%	Face amount of check plus or \$100 per check, whichever is greater, plus interest at the rate payable on judgments on ` the face amount of the check plus reasonable attorney fees if aggregate amount of checks is written in 6 month period is over \$1,250.	Greater of 75% disposable earnings or 40xfed. min. hourly wage
MISSISSIPPI	3	3	7	7 (3 if resident)	8%	Amount in contract	Up to and including \$25, additional damages 100% \$25.01 - \$200 additional damages 50% but not less than \$25. Over \$200, 25%	See federal law.

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MISSOURI	5	10	10	10	9%	9%	Three times face amount owed plus attorney's fees.	See fed. law, exempt 90% of week's net pay, head of household, single person without dependents 75%.
MONTANA	5	8	10	10	10%	10%	\$100 min. or three times face value up to \$500 plus face value of check and under UCC the value of the check plus \$30 service charge per check.	See federal law. State law provides for executions.
NEBRASKA	4	5	5	5	12% or contractual	2% above T-Bill	\$100 min. or three times face value up to \$500 plus face value of check and under UCC the value of check plus \$30 service charge per check.	Greater of 75% disposable earnings (85% if head of household) or 30 x fed. min. hourly wage.
NEVADA	4	6	6	6	Contractual or 2% over prime	Contractual or 2% over prime	Amount due, protest fees three times check amount not more than \$500, or less than \$100.	Wages no more than 25% of disposable earnings for each week or 30 x fed. min. hourly wage, whichever is less, except for support orders.
NEW HAMPSHIRE	3	3	20	20		4%	Amount due, interest, court costs, reasonable atty. fees and \$10 per business day (max. \$500).	50 x fed. min. hourly wage. All future wages are exempt so that the court cannot issue an ongoing order.
NEW JERSEY	6	6	20	20	Up to 30% as per contract	1% on judgments up to \$15,000 Over \$15,000 an additional 2% is added to interest rate	Face amount of check plus 3x face value, not to exceed \$500.	\$154.50/wk min - 10% of gross earnings \$154.50 and over.
NEW MEXICO	4	6	14	14		8.75% or contractual	Amount due, tripe damages up to \$500 per check. Req. must be met.	Greater of 75% or amount each week equal to 40xfed min hourly wage.
NEW YORK	6	6	20	20	16%	9%	Face value plus two times check amount up to a max of \$400 on NSF or \$750 on "no account" GEN-0B.1.1-104.	90% of earnings except first \$154.50 wk. wholly exempt (only if person earns min. wage)

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NORTH CAROLINA	3(UCC 4)	3	10	10	8%	8%	30 day written demand lesser of \$500 or three times check amount, but not less than \$100	100% of last 60 day's earnings for family support. Garnishment only by political subdivision for taxes, ambulance fee, etc.
NORTH DAKOTA	6	6	10	10	6%	12%	Amount due, collection fees of \$25 and civil penalty by civil action for lesser of \$200 or three times check.	75% of disposable earnings for work week, or amount equal to 40x fed. min hourly wage, whichever is greater, plus \$20 ea. dependant in household.
OHIO	15	15	21(renew every 5)	15 (Judgment line renew every 5)	6%	10% or contractual	The greater of \$200 or three times the amount of the check and attorney fees (no max).	See federal law. State allows continuing garnishments.
OKLAHOMA	3	5 (UCC 5)	5	5 (renewable)	6% or contractual	5.63%	N/A	State law: 75% of earnings exempted more if hardship established. All federal exemptions apply.
OREGON	6	6	10	10	Statutory + Judgment	9% or contractual	Can recover reasonable attorney fees & statutory damages of three times the amount of the NSF check or \$500 if demand letter is sent to debtor 30 days before suit is filed.	75% of disposable earnings over and above minimum wage.
PENNSYLVANIA	4	4	4	4	6%	6%	N/A	100% of wages, certain pensions retirement accounts & Kegoh plans under certain circumstances, and \$300
RHODE ISLAND	10	10	20	20	12%	12%	Amount of check, \$25 fee and treble damage up to \$1,000.	See federal law
SOUTH CAROLINA	3	3	10	10	8.75%	12%	Reasonable court costs, amount of check and damages up to \$500 or three times check amount whichever is smaller.	Garnishment not available in SC.
SOUTH DAKOTA	6	3	20	10	12%	10%	N/A	20% of disposable earnings for a continuing lien.
TENNESSEE	6	6	10	10	10%	10% or contractual	Amount of check, plus 10% interest and reasonable service charges, attorney fees & court costs, or treble damages up to \$500 plus fees & costs.	See federal law. Add \$2.50 per week for dependant child under 16.
TEXAS	4	4	10	10	6-18%	5.5%	N/A	100% of wages
UTAH	4	6	8	8	10%	3.41%	Certified statutory bad check notice must be sent. Amount due, interest, court costs, reasonable attorney fees, plus damage equal or greater of \$100 or three times check amount (not top exceed check amount plus \$500).	\$142.5 of disposable earnings for wages paid weekly

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VERMONT	6	6	8	8	12%	12%	Court costs, amount of check, attorney fees, damage of \$50 (notices required).	75% of earnings above minimum wage or what is necessary to live. 85% if personal family or house held debt.
VIRGINIA	3	5	20	10	8%	9% or contractual	Lesser of \$250 or three times check amount.	See federal law.
WASHINGTON	6	6	10	10	12%	12%	Interest rate specified in instrument or, if no specified rate, 12% interest plus collection costs up to \$40. If taken to court, reasonable attorney fees, three times value or up to \$800. Now have 6 years to enforce	Greater of 75% or \$206/week (30xstate min. hourly wage)
WEST VIRGINIA	5	10	10	10	6% or contractual (contract rate can vary between 18% and 31% max.)	10%	Amount due, service charge up to \$10. If check under \$500 misdemeanor. Over \$500, felony.	Withhold 20% of disposable income or 30x fed min hourly rate, whichever is less. Other exemptions apply.
WISCONSIN	6	6	20	20 (or foreign if less)	5%	12%	Amount of check plus actual damages plus exemplary damages up to three times value of check. Limited to \$300	80% of net pay.
WYOMING							Three times amount of check but not less than \$100 plus collection fee of \$30	
PUERTO RICO							See articles 1851 - 1856 of the Puerto Rico Penal Code	75% of last 30 days' earnings for family support.