

# Republic of Ireland

## Preserving individual debtor's human dignity in distress

### 1. Monthly income

Adults	Single person	With 2 dependent children
Minimum wage for a full-time employee (if it exists): Name: National Minimum Wage	Gross : €9.80 per hour Net : (Dependent on recipient's tax assessment criteria)	€9.80 per hour
Median income per capita	€2,090	

Poverty threshold <i>At risk of poverty threshold (60% of median income)<sup>1</sup>.</i>	€1,043.45	-----
Minimum solidarity allowance for an adult without income	€874 monthly Based on Supplementary Allowance Rate (SWA). There are reduced rates for under 26s.	€1,169.68 Based on SWA rate for children under 12. Over 12's rate amounts to €1,195.77 monthly.

Elderly people	Single person	Couple
Minimum pension for a former employee (full career)	€1075.97	€2151.94
Average pension per capita (all types of pensions)	€1575	€3150
Minimum solidarity allowance for elderly people with no or very limited pension	€1030.55 (Made up of means tested State Pension non-contributory rate of €237 weekly)	€1711.50 (Includes qualified adult allowance of 156.60 weekly)

<sup>1</sup> <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2017/introductionandsummaryofresults/>

## 2. Garnishment of funds<sup>2</sup> in bank accounts

This concerns the seizure of funds directly from the bank account of the debtor, as a result of a court ruling or equivalent procedure.

Unseizable funds	Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances	
Unseizable_income	Description	Designation
	Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances	relatively rarely used in cases of consumer debt.
Partly seizable income	Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances	relatively rarely used in cases of consumer debt.
Income that can be fully seized	Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances	relatively rarely used in cases of consumer debt.

**Additional information:**

## 3. Seizures on wages and from third parties<sup>3</sup>

This concerns seizures made directly by the debtor's employer from their employee's wages, following a court ruling or equivalent procedure. The same type of seizure may be made with other third parties.

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<sup>2</sup> <http://www.courts.ie/rules.nsf/0/ea299638dac3328680256d94006276d9?OpenDocument>  
[https://www.citizensinformation.ie/en/money\\_and\\_tax/personal\\_finance/debt/enforcement\\_of\\_judgments.html](https://www.citizensinformation.ie/en/money_and_tax/personal_finance/debt/enforcement_of_judgments.html)

<sup>3</sup> A [Civil Debt \(Procedures\) Act 2015](#) provides for the attachment of earnings or deductions from social welfare payments, as appropriate, for the purpose of the enforcement of debts. This legislation will apply to debts that are more than €500 and less than €4,000 in value, and for which a court judgment has been obtained. It has not yet come into effect.

[https://www.citizensinformation.ie/en/money\\_and\\_tax/personal\\_finance/debt/court\\_procedures.html](https://www.citizensinformation.ie/en/money_and_tax/personal_finance/debt/court_procedures.html)

Unseizable amount	At present, attachment of earnings is used only for <u>orders of maintenance of spouses and children</u>			
Seizable amounts (single person)	Income range	Monthly income	Percentage portion that can be seized	Maximum amount that can be seized per month
	1	n/a	Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances	. Determined by the Court having regard to the needs of the judgment debtor and his or her particular circumstances
	2	n/a	do	do
	3	n/a	do	do
	4	n/a	do	do
	5	n/a	do	do
	6	n/a	do	do
	7	n/a	do	do

**Additional information:**

An annual Local Property Tax (LPT) charged on all residential properties in the State came into effect in 2013. The LPT is collected by the Revenue Commissioners and, in cases where a liable person does not submit a return, the Revenue Commissioners can use a range of collection options including:

- Mandatory deduction from your salary, wages or occupational pension
- Attachment of your bank account (by way of an attachment order)

**4. Additional rules for the protection of debtors**

As part of an amicable debt mediation procedure or of a personal bankruptcy procedure, some additional protection rules exist in some countries, such as:

- The freezing of the recovery costs and default interest;
- The freezing of recovery procedures (made by registered mail or through a bailiff);
- The possibility for the debt advisor or the judge to lower or increase the protected amounts;
- The possibility of choosing other methods or calculation rules to determine the remaining income.

If similar rules exist in your country, it would be very useful to describe them.

If citizens tackle debt using a formal insolvency solution<sup>4</sup> as determined in the Personal Insolvency Act 2012 (amended), there is a reasonable standard of living that they are entitled to which allows for the retention of income to pay certain expenses (known as Reasonable Living Expenses) such as food, clothing, health, household goods and services, communications, socialising, education, transport, household energy, childcare, insurance and modest allowances for savings and contingencies. Reasonable Living Expenses<sup>5</sup> are calculated in accordance with Section 23 of the Personal Insolvency

<sup>4</sup>

[https://www.citizensinformation.ie/en/money\\_and\\_tax/personal\\_finance/debt/personal\\_insolvency/insolvency\\_service\\_of\\_ireland.html](https://www.citizensinformation.ie/en/money_and_tax/personal_finance/debt/personal_insolvency/insolvency_service_of_ireland.html)

<sup>5</sup> [http://www.isi.gov.ie/EN/ISI/PAGES/RLE\\_INFORMATION](http://www.isi.gov.ie/EN/ISI/PAGES/RLE_INFORMATION)

Act by the Insolvency Service of Ireland (ISI). The ISI consults with stakeholders and issues guidelines as to what constitutes a reasonable standard of living and reasonable living expenses and has calculated prescribed tables of costs incurred by debtors based on four criteria, namely Household Composition, Childcare, Housing and Special circumstances.

If citizens enter into a formal insolvency solution, their creditor shall not, during the designated supervision/protected period concerned— (a) initiate any legal proceedings, (b) take any step to prosecute any such legal proceedings already initiated, (c) take any step to secure or recover payment, (d) execute or enforce a judgment or order of a court or tribunal against the debtor, (e) take any step to recover goods in the possession or custody of the debtor (unless title to the goods is vested in the creditor or the creditor holds security over the goods, (f) contact the specified debtor regarding payment of a specified qualifying debt, otherwise than at the request of the debtor, or (g) in relation to an agreement with the specified debtor, other than a security agreement, by reason only that the debtor is insolvent or that the Insolvency Instrument is in effect— (i) terminate or amend that agreement, or (ii) claim an accelerated payment under that agreement.

An amicable debt mediation procedure can also be achieved by the borrower who can attempt to reach a voluntary arrangement by dealing directly with the creditor or through an authorised third party such as the state-funded Money Advice and Budgeting Service (MABS)<sup>6</sup>. MABS has agreed a protocol with the BPF (Banking and Payments Federation of Ireland) with regard to unsecured debt, which allows for the freezing of recovery costs, default interest and recovery procedures subject to the negotiation of an affordable and sustainable repayment plan on a case by case basis. The write-down of debt is also an integral part of this protocol following the completion of a negotiated repayment programme over an agreed term of not more than seven years currently. The above-mentioned Reasonable Living Expenses can also be used to determine the agreed repayment amount at the discretion of the borrower/borrower's agent and/or the creditor.

Do you accept we include your name, or the name of your organisation, in the list of respondents that will be included in the final report?	YES	NO
	X	
Personal name		
Name of the organisation	<ul style="list-style-type: none"> <li>▪ Citizens Information Board and Money Advice and Budgeting Service (MASBS nd)</li> </ul>	

<sup>6</sup> MABS are also recognised as approved intermediaries for processing formal debt relief notices under insolvency legislation.

[https://www.citizensinformation.ie/en/money\\_and\\_tax/personal\\_finance/debt/personal\\_insolvency/debt\\_relief\\_notices.html](https://www.citizensinformation.ie/en/money_and_tax/personal_finance/debt/personal_insolvency/debt_relief_notices.html)