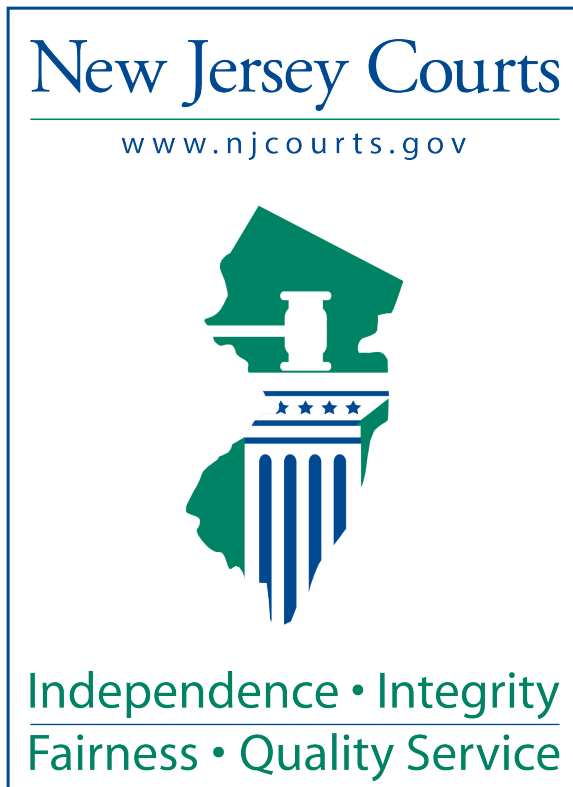


New Jersey Judiciary

**Collecting a
Money Judgment**



Superior Court of New Jersey

Law Division

Special Civil Part

Background

If money is owed you because you have been awarded a judgment in the Special Civil Part, you are a judgment creditor. You should contact the person who owes you the money (the judgment debtor) to discuss payment. Payments sometimes are made on the day of the court hearing or over time. If you do not receive the money that is owed you, there are several ways the court can help you collect it.

Although the court will try to help you collect the money owed to you, it cannot guarantee your debt will be paid. The forms for the different methods of collection outlined in this brochure are available in any New Jersey Special Civil Part Office. A complaint packet and an answer packet for self-represented litigants, with accompanying instructions, is available in any New Jersey Special Civil Part Office and is available at njcourts.gov.

Execution on Goods and Chattels (Writ)

An execution on goods and chattels (writ) lets the Special Civil Part Officer try to collect the money owed on a judgment from the debtor's bank account or personal property. Real estate cannot be used to collect money owed in the Special Civil Part. You must locate and identify, for the Special Civil Part Officer, the debtor's personal property that can be used to satisfy your judgment. You can, for example, also ask that a Special Civil Part Officer try to sell personal items such as office equipment at a public sale. The debtor can keep \$1,000 worth of personal property and wearing apparel.

If the debtor does not have more than \$1,000 worth in personal property, this method cannot be used by the Special Civil Part Officer to satisfy your judgment and to collect the money owed to you.

If you ask the Special Civil Part Officer to seize the debtor's motor vehicle, you must be able to show that the vehicle is registered in the name of that debtor. This is done by getting a certified copy of the title and/or obtaining a certified lien search from the New Jersey Motor Vehicle Commission. The debtor might have an outstanding loan or debt on the car, so you must determine if there is value or equity in the debtor's car before you direct a Special Civil Part Officer to pursue it.

The fee for obtaining a writ is \$35 plus the special civil part officer's \$7 service fee. The officer will inform you of additional fees to advertise and sell the debtor's property that is levied upon using this writ and when and if these events occur. A writ is good for two years from the date it is issued. There are no limits on the quantity of writs a creditor can obtain. You cannot choose which special civil part officer will perform this work for you.

General Information About Writs and Special Civil Part Officer Fees

The Special Civil Part Officer cannot levy on child support, welfare benefits, Social Security benefits, SSI, veterans' benefits or unemployment benefits. Once you apply and the court issues a writ of execution on goods and chattels (writ) it is assigned to a Special Civil Part Officer for collection. By law, there is a 10 percent fee added to the amount of the judgment as the officer's

commission. This fee is listed on the writ and is payable to the officer as the judgment is being collected. The 10 percent is taken from the money collected by the officer. Once a writ of execution is issued and it is still active and has not expired (each writ is valid for two years from the date of its issuance), the payments should be made directly to the Special Civil Part Officer and not directly to the creditor. The officer handles the bookkeeping, deducts the appropriate commission and sends the balance to you. If a writ is returned by the officer and he/she marks it as fully satisfied, the Special Civil Part Office will enter the satisfaction of the judgment in the record. A Special Civil Part Officer's writ return can be marked, as "fully satisfied," only if the officer himself/herself collected all of the money due and owing, which can include court costs and interest, if any, plus the officer's entire 10 percent commission.

In some instances, after a levy has been made by the officer or contact has been made with the debtor, settlement discussions could occur between the creditor and the debtor. In making a settlement with the debtor, remember that the officer, who has made "a valid levy or has in some way helped produce payment, is entitled by law to receive 10 percent commission on any amount paid." Any partial or full payment made directly to you is subject to the 10 percent commission that must be paid to the officer. Note that if the officer has served your writ and levied upon a permissible asset (asset gets frozen), the officer must direct the bank or other financial institution to release (unfreeze) the asset at the end of that writ's 2 year expiration date, unless you timely apply for a new writ with instructions given to the officer to re-levy with the new writ upon that asset before it is released back to the debtor.

Bank Levy

If you know or can find out where the debtor has a savings or checking account in New Jersey, you may ask that a Special Civil Part Officer collect your debt from the money in the account using this writ. Special Civil Part Officers are not required to search for the debtor's bank accounts. You must provide the name of the bank, the address and no more than the last 4 digits of the account number, if possible. Do not provide the Special Civil Part Office with the debtor's entire active financial account number. Provide it to the officer directly if necessary. If there is a new address subsequently provided to the officer where an asset could be available to satisfy the judgment, an additional \$7 fee for service by the Special Civil Part Officer could be charged.

After the money has been levied upon by the Special Civil Part Officer, it is considered frozen. You must then file a Motion to Turn Over Funds with the court and serve a copy upon the debtor and the bank. A packet for self-represented litigants on How to File a Motion to Turnover Funds is available in any New Jersey Special Civil Part Office and at njcourts.gov. If the court grants the motion, the judge will sign the Order to Turn Over Funds that you submitted with your motion. This order will be delivered to the bank by the Special Civil Part Officer. The officer will then obtain the money from the bank first, deposit it into his/her own officer trust account and then mail a check to the creditor or creditor's attorney by the 15th day of the month following the successful month of deposit.

Execution Against Wages (Garnishing Debtor's Salary)

An execution against a person's wages can be requested if the debtor works in New Jersey and earns more than \$217.50 per week. To request a wage execution, you must send a Notice of Application for Wage Execution to the debtor by regular and certified mail. A copy of the application and a statement of how you mailed the application to the debtor must be filed with the Office of the Special Civil Part in the county where the case was heard.

If the debtor objects to the wage execution, before or even after it is issued, a hearing will immediately be scheduled by the court. If the debtor does not object or the court does not allow the objection, an order for a wage execution will be issued and the wage execution will be delivered to the debtor's employer by the special civil part officer. The employer will hold back a portion of the debtor's pay in accordance with the Order for Wage Execution and will send this money directly to the officer, who will then deduct his 10 percent commission and send the rest to you in the same exact manner as previously stated in this brochure. The fee for this wage execution is \$35 plus a \$7 fee for service of the wage execution to the employer by the Special Civil Part Officer. A packet for self-represented litigants on How to File a Wage Application is available in any New Jersey Special Civil Part Office and at njcourts.gov.

Docketed Judgment

If you or a special civil part officer cannot collect the money due you on the judgment, you can have the judgment from the Special Civil Part recorded in the Superior Court Clerk's Office in Trenton. Once your judgment is recorded in the Superior Court, the debtor cannot sell with clear title any real estate owned in New Jersey until your debt is paid.

To record a judgment, you should request a Statement for Docketing from the Office of the Special Civil Part in the county where the case was heard. The Statement for Docketing must be filed with the Clerk of the Superior Court, Richard J. Hughes Justice Complex, P.O. Box 971, Trenton, N.J. 08625.

The fee for filing a Statement for Docketing is \$35, payable to the *Treasurer, State of New Jersey*. There is no fee in the Special Civil Part for issuing the statement. Once docketed, future efforts to collect a judgment originally awarded in the Special Civil Part must be made through the sheriff's office in the county where the debtor's assets are located.

Information Subpoena

If you do not know where the judgment debtor has a savings or checking account, what personal property the debtor owns or where the debtor works, you can obtain an information subpoena from any New Jersey Special Civil Part Office. It also is available at njcourts.gov. An information subpoena is a court document containing a written set of questions about the debtor's potential assets.

You can serve an original and one copy of an information subpoena upon the debtor, either personally or by registered or certified mail, return receipt requested, and simultaneously by regular mail. You also must provide a postage-paid, self-addressed envelope with the

information subpoena. The debtor must answer and return the information subpoena to you within 14 days from the date on which it was served. An information subpoena cannot be served more than once in a six-month period without approval of the court. If the debtor does not answer the information subpoena, he or she is subject to contempt sanctions enforceable by the court. A packet for self-represented litigants on How to File a Motion to Enforce Litigants Rights is available in any New Jersey Special Civil Part Office and is available at njcourts.gov.

If the debtor has not fully answered the information subpoena within 21 days from the date on which it was served, you can make an application supported by a certification to the court for an order allowing you to serve a separate information subpoena upon banking institutions, employers or businesses who owe money to the debtor. If the court signs the order, this information subpoena also can be obtained from the Office of the Special Civil Part. You can then serve an original and one copy of the information subpoena either personally or by registered or certified mail, return receipt requested, and simultaneously by regular mail. You also must provide a postage-paid, self-addressed envelope. If a party upon whom this information subpoena is served does not provide written answers within 14 days from the date it was served, they are subject to sanctions enforceable by the court.

Court Order for Discovery

Another approach for seeking information about a debtor's assets is to file with the court a petition stating the amount due on the judgment and asking the court to issue an order requiring the debtor or any person who has information about the debtor's assets to answer questions concerning these assets at a place and time specified in the court order. A person can be required to appear only once without another court order.

You can serve a copy of the order for discovery upon the debtor or other person either personally or by registered or certified mail, return receipt requested, and simultaneously by regular mail. The debtor must receive it at least 10 days before the appearance date.

If the debtor or person named in the court order does not comply with the court order and fails to appear at the specified time and place to provide information about the debtor's assets, he or she is subject to contempt sanctions enforceable by the court.

Collecting an Out of State Judgment

Article 4 of the U.S. Constitution provides that a judgment awarded in a court of one state is entitled to full faith and credit in the courts of another state. A judgment from another state can be enforced by docketing it with the Clerk of the Superior Court in Trenton. It will then be a lien on any real estate owned by the debtor in New Jersey and other collection efforts must be made through the Sheriff's Office in the county where the debtor has assets. Contact the Superior Court Clerk's Office at 609-421-6100 for more information.

Alternatively, you can attempt collection or enforcement of an out of state judgment for \$20,000 or less in the Special Civil Part by filing a complaint, with an exemplified copy of the out of

state judgment attached, in the Office of the Special Civil Part in the county where the debtor lives or is located. Staff of that office will inform you of the applicable fees.

Settlement

If a case is settled before trial, the plaintiff is responsible for filing a stipulation of dismissal with the Special Civil Part. If a judgment is paid, with or without the aid of a special civil part officer, the plaintiff is responsible for filing a warrant of satisfaction with the Special Civil Part Court. The warrant of satisfaction is a document that satisfies the judgment of record.

A Directory of Superior Court Special Civil Part Offices can be found at njcourts.gov.

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