



Garnishment

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What is a garnishment?

Garnishment is a legal proceeding where you can claim money owed to the debtor by someone else which is applied to the payment of the debt owed to the creditor.

In the context of a landlord and tenant relationship, a garnishment is used to claim money owed to the tenant by someone else, such as an employer or financial institution.

Garnishment is one of the methods a landlord may use for collection of monies owed by the tenant as ordered by the Landlord and Tenant Board.

The landlord must initiate the garnishment process to collect the money owing and, to be successful, must have information that will lead to money owed to the tenant, either employment information or a bank account.

- If the landlord has information about the tenant's current employment, a garnishment can be filed against the employer to seize a percentage of the former tenant's wage.
- If the landlord has information about a bank account held by the tenant with funds on deposit, a garnishment may be filed to seize funds to satisfy the amount awarded in the order.

I obtained an order from the Landlord and Tenant Board against my tenant for arrears of rent. I know where the tenant works, should I confirm his employment?

Yes. In addition to confirming the debtor's place of employment, the landlord should do a search of the company name at the Ontario Business Registry. The cost for a search is minimal and it will ensure you have the true company name. Many companies operate under a name different from the one that is registered. If you issue a garnishment under the wrong company name it is worthless and you would have to start the process from the beginning.

For more information, visit <https://www.ontario.ca/page/register-business-name-limited-partnership>

Can I request payment for damages the tenant caused to the rental unit?

If damages were included in the amount ordered, yes.

If not included, you will have to file a *L10: Application to Collect Money a Former Tenant Owes* with the Landlord and Tenant Board. This must be filed within **one year** of the tenant vacating the rental unit. When the Landlord and Tenant Board process is completed, an order will be issued and the landlord may begin another garnishment to satisfy that order.

How and where do I apply for garnishment?

The garnishment process is administered by the Small Claims Court. You will need submit a copy of the certified Order issued by the Landlord and Tenant Board, a completed Affidavit for Enforcement Request (Form 20P), Notice of Garnishment (Form 20E) along with the filing fees to the Small Claims Court.

Where can I obtain the garnishment documents?

Garnishment documents can be picked up at any Small Claims Court office. The forms are also available online at <https://www.ontario.ca/page/suing-someone-small-claims-court>.

Where are the garnishment forms submitted?

Small Claims Courts can be found in various locations across Ontario. The garnishment **must be** submitted in the court that has jurisdiction over the area where the debtor resides or carries on business. Visit <https://www.ontario.ca/locations/courts> to find out where the Small Claims Courts are located.

You need to submit the following forms:

- a copy of your certified Order issued by the LTB,
- a completed Notice of Garnishment (Form 20E) and
- a sworn Affidavit for Enforcement Request (Form 20P). The affidavit can be sworn by a Small Claims Court staff member who is a commissioner for taking affidavits (there is no fee for this service) to Small Claims Court.

You may file your documents in person or by mail, bring enough copies of your completed forms to the court office. You will require one copy for each party who must be served and one copy for your own records. You may also file the documents online using the Small Claims Court Submissions Online portal at www.ontario.ca/page/file-small-claims-online.

What is the cost for filing a garnishment in Small Claims Court?

You will be required to pay a filing fee and a fee for registering the Landlord and Tenant Board Order. Please visit <https://www.ontario.ca/page/fees-small-claims-court> to find the most up-to-date filing fees.

Can I recover my filing costs?

The costs that were incurred when filing the garnishment can be claimed based on the Small Claims Court guidelines. You may also include all costs relating to the eviction of the tenant, such as the fees paid to the sheriff's office. All receipts will have to be included with the garnishment to prove your costs.

Are both the debtor and the garnishee served with a copy of the Notice of Garnishment?

Once the Notice of Garnishment has been successfully filed with the Small Claims Court, you need to serve the filed documents on both the garnishee and debtor. The Garnishee is served with a filed copy of Notice of Garnishment and blank copy of Garnishee Statement Form (Form 20F). The Debtor is served with a filed copy of Notice of Garnishment and filed copy of Affidavit for Enforcement Request.

- You may serve the debtor, personally, by courier, or by mail.
- The garnishee should be served at the business address either personally, by courier, or by mail. The garnishee must also be served with the **Garnishee Statement**.

NOTE: Documents served by mail are deemed to be effective on the fifth day following the date of mailing. For more information on how to serve the documents, please visit:

<https://www.ontario.ca/document/guide-procedures-small-claims-court/serving-documents>

Are further forms required after serving the Debtor and Garnishee?

Once the filed documents have successfully been served on Garnishee and Debtor, then two Affidavits of Service Form (Form 8A) must be completed. They will specify the date and method of service on each the Debtor and Garnishee. Each Affidavit of Service must be sworn by the person who delivered the documents, and must be submitted to the Small Claims Court within five days of service.

How long does the Garnishee have to respond to the Garnishment?

The Garnishee must respond to the Notice of Garnishment within **ten** days. Proof of service (Affidavit of Service discussed above) is required to document the date on which the Garnishee/Employer was served with the Notice of Garnishment and the Garnishee Statement.

The Garnishee must complete and file with the clerk the garnishee statement. The statement sets out reasons why Garnishee (employer or Bank) will not garnish the debtor's wages or bank account.

How will I be informed of the information provided in the garnishee statement?

A copy of the garnishee statement should also be mailed to the creditor. You should wait approximately one month to be contacted by the court office. If the court hasn't contacted you or you have not received a copy of the garnishee statement by that time, you should contact the court office to determine whether remittances have been made by the garnishee.

What reasons might the garnishee (employer) have not to garnishee the wages?

There could be many reasons, perhaps the debtor is no longer employed by that company, is on a leave of absence or was laid off. There are also considerations regarding garnishment for child support payments which take priority.

How long will it take for my judgment/order to be satisfied?

It's difficult to predict how long it will take to satisfy the judgment/order since the amounts recovered will depend on many circumstances, including: the amount the debtor earns, the frequency of pay period, and whether other creditors are garnishing his/her wages.

How much of the tenant's wages may be garnished?

Garnishment of wages is restricted to 20% per pay period. This is regulated by section 7 of the *Wages Act*. If there is more than one creditor, the payment received by the clerk will be equally distributed among all the creditors who have filed a request for garnishment and have not been paid in full.

Does a Notice of Garnishment expire?

A Notice of Garnishment that is filed in Small Claims Court is valid for 6 years. If you are unable to collect the full amount owing during that time, you will have to file another Notice of Garnishment before the current one expires.

How will I collect the payments that are made by the Garnishee?

After proof is filed confirming the notice of garnishment was served on the debtor, the clerk at the Small Claims Court will distribute payments received to creditors that have filed a Notice of Garnishment.

For more information on the garnishment process, visit the Small Claims Court Guide at <https://www.ontario.ca/document/guide-procedures-small-claims-court/after-judgment>

Small Claims Court: Visit

<https://www.ontario.ca/locations/courts> for a list of locations province-wide and their office hours.

The **Residential Tenancies Act Fact Sheets** are intended to help landlords learn and understand their rights and responsibilities.
They provide general information not legal advice.