



**Parliament of Montenegro  
Parliamentary Institute  
Research Centre**

Research paper:

**Manner of levying involuntary enforcement against wages, pensions  
and other regular monetary earnings of the judgment debtor - legal  
solutions in Croatia and Serbia**

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*\*The contents of this document do not reflect the official views of the Parliament of Montenegro.*

## CONTENTS

<b>FOREWORD .....</b>	<b>3</b>
<b>1. CROATIA .....</b>	<b>6</b>
1.1 General rules regarding enforcement .....	6
1.2 Enforcement for satisfying monetary claims .....	7
1.2.1 Enforcement in the event that several persons are entitled to support .....	8
1.2.2 Seizure of account of judgement debtor .....	8
1.2.3 Levying of enforcement.....	8
1.2.4 Enforcement procedure of payment basis .....	9
1.2.5 Enforcement procedure of payment basis against a fixed-term deposit .....	10
1.3 Exemption from enforcement on the basis of claims of debtor.....	10
1.4 Enforcement restrictions on the basis of claims of the judgement debtor .....	11
<b>2. SERBIA .....</b>	<b>12</b>
2.1 General rules regarding enforcement .....	13
2.1.1 Means and assets subject to enforcement .....	14
2.1.2. Decisions .....	14
2.2 Enforcement for satisfying monetary claims .....	15
2.2.1 Enforcement against wages and other regular monetary earnings .....	15
2.3 Exemption from enforcement on the basis of claims of debtor .....	16
2.4 Enforcement restrictions on the basis of claims of the judgement debtor .....	17
<b>BIBLIOGRAPHY .....</b>	<b>18</b>

## FOREWORD

In Montenegro, the Law on Enforcement and Security<sup>1</sup> regulates the procedure of enforced satisfaction of claims on the basis of domestic or foreign enforceable or authentic document and securing of claims. The court and public enforcement officer shall make decisions in enforcement procedure and securing of claims procedure in the form of rulings and conclusions. Enforcement for satisfying monetary claims and securing such claims shall be ordered and levied to the extent necessary to satisfy or to secure such claims.

In Montenegro, enforced collection entails a legal obligation and authority of the Central Bank of Montenegro (CBM), to transfer the monetary assets subject to enforcement from the account of the judgment debtor to the account of the judgment creditor by operation of law, as stated on the grounds for enforcement, according to the day of receipt of the document. Judgement debtors may be natural persons and legal entities that carry on business and have open bank accounts, as well as banks and other entities which maintain a settlement account with CBM.<sup>2</sup>

In terms of enforcement against wages and other regular monetary earnings, the Law envisages that the writ of enforcement against a wage shall levy the moratorium on certain part of the wage and shall order to a: state authority, legal entity or another employer paying the wage to a judgment debtor to pay or pay in future to the judgment creditor the monetary amount corresponding to the ordered enforcement. The employer shall be obliged to pay the amount ordered under the enforcement to the account of the enforcement officer, who in turn shall be obliged to transfer such funds within one day to the account of the judgment creditor. The wage shall consist of all labour-based earnings of the employee. The writ of enforcement against wage shall also refer to a wage increase occurring after the serving of the writ of enforcement.

In line with the provisions of the law in Montenegro, the following earnings of the judgement debtor shall be exempt from enforcement, on the basis of monetary claims: proceeds on the account of legal subsistence, damage compensation resulting from impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider; proceeds on the account of benefits due to bodily impairments in accordance with disability insurance regulations; proceeds on the account of welfare assistance; proceeds on the account of temporary unemployment; proceeds on the account of child allowance; proceeds on the account of scholarships and assistance to pupils and students; compensation for work of a convicted person serving a sentence of imprisonment, except for claims on the account of legal subsistence, as well as claims resulting from damage compensation caused by crimes committed by a convicted person; other claims where law prohibits the transfer thereof.

In addition, the enforcement against specific earnings of the judgement debtor in Montenegro may be subject to certain percentage restrictions. In that context, enforcement against wages and pensions, as well as wage replacement compensation may be ordered and levied up to the amount corresponding to one-half of such earnings.

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<sup>1</sup> Zakon o izvršenju i obezbjeđenju (Sl. list Crne Gore, br. 36/11, 28/14)

<sup>2</sup> Internet page of the Central Bank of Montenegro

[http://www.cbmn.org/index.php?mn1=platni\\_promet&mn2=prinudna\\_naplata](http://www.cbmn.org/index.php?mn1=platni_promet&mn2=prinudna_naplata) (17.3.2015)

Enforcement may be levied against the minimum wage that judgment debtor receives in accordance with the law up to the amount corresponding to one-third of such wage.<sup>3</sup>

In order to collect data on legal solutions in Croatia and Serbia involving the manner of levying of involuntary enforcement against wages, pensions and other regular monetary earnings of judgement debtor, authentic documents, exemption of certain earnings from enforcement on the basis of monetary collection of the judgment debtor, and also the percentage of enforcement restrictions against certain earnings, the Research Centre provided in the paper the current legislation of both countries on the subject matter.

According to the collected data, in Serbia and Croatia, enforcement against wages, pensions and other monetary earnings of the judgement debtor are levied on the basis of ruling requiring the employer paying the wage to a judgment debtor to pay the judgment creditor the monetary amount corresponding to the ordered enforcement.

As to the exemption from enforcement on the basis of monetary claims of judgement debtor, Serbia provides for the identical legal solution as Montenegro, while Croatia provides for more exemptions from enforcement, including maternity and parental compensations, income on the basis of distinctions and commendations, compensation for covering the damage caused by disasters and natural hazards, compensation for business trips, etc.

In Serbia and Croatia, enforcement against earnings may be limited up to a certain amount. In Croatia, enforcement against the wage of the debtor may be levied up to the amount corresponding to two-thirds of an average net salary, while enforcement for the purpose of collection on the basis of legal support, damage compensation resulting from impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider; may be levied up to the amount corresponding to one-half of the average net salary. In Serbia, enforcement may be levied against the minimum wage up to the amount corresponding to one-half of such wage, while enforcement against wage may be levied up to the amount corresponding to two-thirds of that wage.

Legal solutions of Croatia and Serbia on the research subject are presented in the follow-up of the document.

The complete document in Montenegrin language is available at:

<http://www.skupstina.me/images/dokumenti/biblioteka-i-istrazivanje/2015/1.pdf>

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<sup>3</sup> Enforcement against earnings of disabled wartime and peacetime veterans resulting from disability benefits, orthopaedic device allowances and disability allowances may be levied only for claims arising from legal subsistence, compensation for damages resulting from impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider, up to the amount corresponding to one-half of such earnings. Enforcement against earnings arising from monetary annuity income, lifelong annuity income, lifelong sustenance contract, as well as earnings resulting from life insurance contracts, may be levied only on such part that exceeds the amount of the highest amount of the permanent social assistance benefits.