

**§1233. Collection by levy on 3rd parties**

**1. Notice of levy.** If an employer fails to pay any part of the contribution, interest or penalties due under this chapter, the Director of Unemployment Compensation may notify by mail a 3rd party who has possession or control of property in which the delinquent employer may have an interest or who may owe a debt to the delinquent employer, other than earnings.

A. A notice under this section may be given any time after the amount due under this Title becomes delinquent. The notice must state the aggregate amount of contributions, penalties, interest or other amounts due and any additional amount that will accrue by operation of law in a period not to exceed the computation ending date of the month in which the notice is given and, in the case of a credit, bank, or savings account or deposit, is effective only up to that amount. [PL 1999, c. 464, §12 (NEW).]

[PL 1999, c. 464, §12 (NEW).]

**2. Notification and freezing assets.** Upon receipt of a notice provided under this section, the person receiving the notice:

A. Shall advise the Director of Unemployment Compensation no later than 20 calendar days after the date the notice was sent of any property belonging to the delinquent employer that is possessed or controlled by the person receiving the notice and of any debt owed by the person receiving the notice to the delinquent employer, except earnings; and [PL 1999, c. 464, §12 (NEW).]

B. May not transfer or dispose of the property or debt possessed, controlled or owed by the person receiving the notice during the period of 60 calendar days after the date the notice was sent. [PL 1999, c. 464, §12 (NEW).]

A notice sent under this section that attempts to prohibit the transfer or disposition of any property possessed or controlled by a bank is effective if it is mailed to the principal or any branch office of the bank, including any office of the bank at which the deposit is carried or the credit or property is held.

A person who has received a notice under this section and who transfers or disposes of any property or debt in a manner that violates this section is liable to the Director of Unemployment Compensation for the amount of the indebtedness of the delinquent person with respect to whose obligation the notice was given to the extent of the value of that property or debt.

[PL 1999, c. 464, §12 (NEW).]

**3. Levy on property.** At any time during the period of 60 calendar days described in this section, the Director of Unemployment Compensation may levy on the property or debt by delivery of a notice of levy. Upon receipt of the levy notice, the person possessing the property or debt shall transfer the property to the director or pay to the director the amount owed to the delinquent employer.

[PL 1999, c. 464, §12 (NEW).]

**4. Effect of levy.** A notice is effective:

A. At the time of delivery against all property, rights to property, credits and debts involving the delinquent employer that are not, as of the date of the notice, subject to a preexisting lien, attachment, garnishment or execution issued through a judicial process; and [PL 1999, c. 464, §12 (NEW).]

B. Against all property, rights to property, credits and debts involving the delinquent employer that come into the possession or control of the person served with the notice within the period of 60 calendar days described in this section. [PL 1999, c. 464, §12 (NEW).]

A person acting in accordance with the terms of the notice of freeze or levy issued by the Director of Unemployment Compensation is discharged from any obligation or liability to the delinquent employer with respect to the affected property, rights to property, credits and debts of the person affected by compliance with the notice of freeze or levy.

[PL 1999, c. 464, §12 (NEW).]

**5. Property subject to levy.** The delinquent employer property subject to levy includes:

A. A credit, bank or savings account or deposit that is subject to execution pursuant to Title 14, section 4751; or [PL 1999, c. 464, §12 (NEW).]

B. Any other interest or personal property that is not exempt from attachment or execution pursuant to Title 14, sections 4421 to 4426. [PL 1999, c. 464, §12 (NEW).]

[PL 1999, c. 464, §12 (NEW).]

#### SECTION HISTORY

PL 1973, c. 555, §20 (AMD). PL 1999, c. 464, §12 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 129th Maine Legislature and is current through October 1, 2020. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.