

# Can a creditor take money from my bank account?

A new law limits the amount of money that a creditor can take from your bank accounts. The law, called the Exempt Income Protection Act or EIPA for short, says a creditor cannot take **all** your money. Some of the money in your bank accounts is safe.

## How much money in my bank account is safe from creditors?

\$1,716 is protected. That means the bank cannot freeze it and your creditors cannot take it. If your account has more than \$1,716, your bank must leave at least \$1,716 unfrozen.

## Can the bank charge me for freezing my account?

Yes, the bank can charge you a fee to freeze your account. But the bank cannot freeze your account more than 2 times in 1 calendar year.

## How will I know if my account has been frozen?

If the bank freezes your account, they must send you a *Notice* and a *Claim Form* within 2 business days.

## What if all of the money in my account was frozen?

The law says the bank must unfreeze the first \$1,716. They must also unfreeze any other protected income. (See *below*.)

## Does the law protect any of my income?

Yes! The law says that creditors are not allowed to take any income that you get from:

- Social Security benefits, including retirement, disability, and SSI
- Child support and spousal support
- Public Assistance
- Worker's Compensation
- Unemployment Insurance
- Veteran's benefits

## Is any other kind of income protected?

Yes. The law also protects the following kinds of income:

- Black lung benefits
- Railroad retirement
- Public or private pensions
- Survivors' and disability benefits
- College tuition trusts
- Life insurance

To see a complete list of other kinds of protected (exempt) income, visit: [www.empirejustice.org](http://www.empirejustice.org)

## What if my protected income is direct-deposited to my account?

If your protected income was direct-deposited 45 days before the bank got the freeze notice, then the first \$2,500 of your account must not be frozen. If your account has less than \$2,500, then your account must not be frozen at all.

## What if the bank froze money that is protected?

Read the *Claim Form*. It tells you what to do to unfreeze the protected income in your account.

## Is there a deadline for me to submit my Claim Form?

Yes! You have **25 days** from the date the Notice was mailed. Submit your completed Claim Form and show proof of why your income is protected by the deadline. (The deadline is printed on the *Notice*.)

## What if I have other questions?

You can find more information at these websites:

- [www.lawhelp.org/ny](http://www.lawhelp.org/ny)
- [www.empirejustice.org](http://www.empirejustice.org)

