

# Bankruptcy (Scotland) Act 2016

### **PART 14**

#### VOLUNTARY TRUST DEEDS FOR CREDITORS

Effect of protected status etc.

# 173 Effect of protected status on diligence against earnings

- (1) This section applies where a trust deed has protected status.
- (2) On the date of protection, any current earnings arrestment, maintenance arrestment, or, subject to subsection (3), conjoined arrestment order ceases to have effect.
- (3) Any sum paid, before the date of protection, by the employer to the sheriff clerk under a conjoined arrestment order must be disbursed by the sheriff clerk under section 64 of the Debtors (Scotland) Act 1987 even if the date of disbursement is after the date of protection.
- (4) A deduction from earnings order under that Act of 1987 is not competent after the date of protection to secure the payment of any amount due by the debtor under a maintenance calculation (within the meaning of that Act) in respect of which a claim could be made under the trust deed.
- (5) The execution of an earnings arrestment or the making of a conjoined arrestment order is not competent, after the date of protection, to enforce a debt in respect of which the creditor is entitled to make a claim under the trust deed.

### **Commencement Information**

II S. 173 in force at 30.11.2016 by S.S.I. 2016/294, reg. 2

## **Changes to legislation:**

Bankruptcy (Scotland) Act 2016, Section 173 is up to date with all changes known to be in force on or before 14 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. View outstanding changes

Changes and effects yet to be applied to the whole Act associated Parts and Chapters: Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 78(2)(a) words in s. 78(2) renumbered as s. 78(2)(a) by 2019 asp 4 s. 7(2)(a)
- s. 78(2)(b) and word inserted by 2019 asp 4 s. 7(2)(b)