



NATIONAL TREASURY' REPUBLIC OF SOUTH AFRICA

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ALL ACCOUNTING OFFICERS AND CHIEF FINANCIAL OFFICERS

OFFICE OF THE ACCOUNTANT-GENERAL PRACTICE NOTE 9 OF 2003

ADMINISTRATION OF EMOLUMENT ATTACHMENT ORDERS ON PERSAL: CENTRALISATION OF CODES FOR GARNISHEE BENEFICIARIES AND IMPLEMENTATION OF ELECTRONIC INTERFACE BETWEEN CERTAIN DEBT COLLECTORS AND PERSAL

- Chapter 23 of the Treasury Regulations provide a process, which must be followed by PERSAL users before an emolument attachment order (garnishee order) is processed on PERSAL.
- The aim of the process is to ensure that emolument attachment orders that are processed on PERSAL are genuine and that the requirements of the Magistrates Court Act (Act no. 32 of 1944) have been complied with.
- We are however concerned that there continues to be an abuse of emolument attachment orders which must be addressed.
- After an investigation into this matter it has been decided to centralise the administration of garnishee beneficiary codes, which are currently administered by each department on Table 801 of the departmental code files on PERSAL.
- 5. In addition a number of selected existing garnishee beneficiaries have requested to lodge emolument attachment orders electronically. The orders must be served on employing departments by the sheriff of the court. The electronically served emolument attachment orders will be subject to validation rules to ensure authenticity, validity and affordability. The selected garnishee beneficiaries will be required to adhere to a predetermined set of rules and a code of conduct. Failure to comply will result in their service being suspended and their emolument attachment orders being captured manually by departments.
- Departments will be required to verify the correctness of any new attachment order lodged electronically and more particularly to cancel any deduction that is deemed to be invalid or to query such transactions with the beneficiary.

- Further details in this regard will be communicated during the forthcoming PERSAL Users Forum and PERSAL Notices and Messages will be distributed to PERSAL controllers as the various phases of the implementation process progress.
- 8. The electronic submission of emolument attachment orders must be beneficial to the state as employer (reduce the administrative burden on departments), the employee (correct deductions channelled to the correct beneficiary and affordibility), debt collectors (efficient and cost effective collection system) and the legal system (a reduction in the number of reapplications to courts).
- All beneficiaries utilising the facilities of PERSAL for the collection of emolument attachment orders granted by court would be required to register centrally before a code is allocated.

10. Your co-operation in this process is appreciated.

Javail Mancofel
ISMAIL MAMOOJEE
ACCOUNTANT-GENERAL

DATE: 14 August 2003