

Changes and Amendments of Enforcement Act (Official Gazette 73/2017.)

The Act on Changes and Amendments to the Enforcement Act introduces a change in protected part of salaries which is lower of average net salary in the Republic of Croatia.

Amended of Article 173, paragraph 2., increases the protective part of salary to three quarters effective from August 3, 2017. and according to Article 44., paragraph 2., of the Act on Amendments to the Enforcement Act (Official Gazette 73/2017.) this provision will be applied to ongoing proceedings, no matter when they started and by which Act they should be completed.

Summary:

If the employee receives net salary lower than the average net salary in the Republic of Croatia (for 2017. = lower than HRK 5,664.00), from enforcement protected part is 3/4 of employee net salary but if that part is higher than 2/3 of average net salary in the Republic of Croatia, protected part is limited to 2/3 of the average net salary in the Republic of Croatia (explained below in the examples).

If the employee receives net salary lower than the average net salary in the Republic of Croatia, and enforcement is carried out in order to collect the claim on the basis of legal support, compensation for damage caused by health impairment or reduction or loss of working capacity and compensation for loss of maintenance due to the death of the maintenance provider, protected part of net salary is in the amount of 1/2 net salary of employee.

However, in case when enforcement is carried out for the purpose of enforcing the payment of the child's financial support, if employee receives net salary in amount lower than 5.664,00 HRK (prescribed for Y2017.), from the enforcement is excluded amount corresponding to the employee 1/4 of net salary.

Example 1:

Net average salary in Croatia for 2017. is= 5.664,00 HRK

Employee net salary is = 5.663,00 HRK (lower then net average salary in Croatia)

Calculation of protected part is from 5.663,00 3/4 of net salary is amount = 4.247,25HRK
(1/4=1.415,75 HRK x 3 = 4.247,25 HRK)

2/3 net average salary in Croatia is = 3.776,00 (5664,00/3x2=3.776,00)

In this example protected part is 3.776,00 HRK since 3/4 of employee net salary is higher than 2/3 of net average salary in Croatia for Y2017., resulting that protected amount can not be full amount of 4.247,25 HRK.

Example 2:

Net average salary in Croatia for 2017. is= 5.664,00 HRK

Employee net salary is = 4.000,00 HRK (lower then net average salary in Croatia)

Calculation of protected part is from 4.000,00 HRK, 3/4 of net salary is = 3.000,00 HRK
(1/4=1.000,00 HRK x 3 = 3.000,00 HRK)

2/3 net average salary in Croatia is = 3.776,00 (5664,00/3x2=3.776,00)

In this example protected part is 3.000,00 HRK since 3/4 of employee net salary is lower than 2/3 of net average salary in Croatia for Y2017.

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