

Post-Judgment Exemption Law

By: Katherine Dwyer, Associate Attorney
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Issues

Under Connecticut law, what property is exempt from a court judgment for money? What money thresholds apply to those exemptions and when were they enacted? How do the monetary exemptions compare to inflation? What vehicle and homestead exemptions are in place in other New England states?

This report updates [OLR Report 2005-R-0368](#).

Summary

Connecticut law exempts certain property from court judgment ([CGS § 52-352b](#)). The exemptions includes such things as (1) necessary clothes, bedding, food, household furniture, and appliances; (2) one motor vehicle; (3) a primary residence; (4) health and disability payments, workers' compensation, social security, veterans' and unemployment benefits, alimony and support payments and court-approved child support payments, and (5) health aids necessary to work or maintain health.

The only exemptions that have a monetary threshold are the homestead exemption that applies to the primary residence (\$75,000); motor vehicle exemption (\$3,500); personal property up to a value of \$1,000; and interest in an unmatured life insurance policy up to \$4,000. For exemption purposes, a homestead is an owner-occupied real property, co-op or mobile manufactured home that is used as a primary residence.

Connecticut's exemption statute dates back to the 1700's. It was modernized in 1977. The motor vehicle exemption was established in 1977 and increased in 2007. The homestead exemption was added in 1993. The 1993 legislation established the amount of the exemption as \$75,000. In 2003, the homestead exemption was increased to \$125,000 for judgments relating to a hospital bill. The provisions for an interest in personal property up to \$1,000 and the interest in a life insurance contract up to \$4,000 were also adopted in 1993.

We used the federal Department of Labor's Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) [Inflation Calculator](#) to adjust the monetary exemptions for inflation. (The CPI measures the changes in prices paid by consumers for goods.) Applying this index, the homestead exemption would increase from \$75,000 to approximately \$130,000 and the motor vehicle exemption would increase from \$3,500 to approximately \$4,200.

All New England states have homestead and motor vehicle exemptions. The homestead exemptions range from a standard exemption of \$35,000 in Maine to \$500,000 in Massachusetts. Motor vehicle exemptions range from \$2,500 in Vermont to \$12,000 for one or more cars in Rhode Island.

Exempt Property

The current Connecticut exemptions from a money judgment are:

1. an individual's homestead up to \$75,000 (or in a judgment arising out of hospital services, up to \$125,000), determined as the fair market value less the amount of any statutory or consensual lien which encumbers it;
2. motor vehicle worth up to \$3,500 (fair market value minus all liens and security interests on it);
3. necessary apparel, bedding, foodstuffs, household furniture, and appliances;
4. tools, books, instruments, farm animals, and livestock feed that the individual needs for his or her occupation, profession, or farming operation;
5. a burial plot for the individual and his or her immediate family;
6. public assistance payments and wages the recipient earns under an incentive earnings or similar program;
7. health and disability insurance payments;
8. health aids the individual needs to work or sustain health;
9. workers' compensation, social security, veterans' and unemployment benefits;
10. alimony and support, other than child support, but only to the extent that wages are exempt from execution;
11. court-approved child support payments;

12. arms, military equipment, uniforms, and musical instruments owned by someone in the United States armed forces or militia;
13. wedding and engagement rings;
14. one residential utility deposit and one residential security deposit;
15. an individual's assets or interests in a retirement, Keogh, Individual Retirement Account, medical savings account, group annuity, or similar plan or arrangement;
16. an award under a crime reparations act;
17. benefits allowed by any association of persons in this state for the support of its members who are incapacitated by sickness or infirmity;
18. money due to the individual from an insurance company on any insurance policy issued on exempt property, to the same extent that the property was exempt;
19. an interest in any property that does not exceed \$1,000 in value;
20. an interest of up to \$4,000 in any accrued dividend or interest under, or loan value of, any unmaturing life insurance contract the individual owns under which he or she, or someone upon whom he or she is dependent, is insured; and
21. irrevocable transfers of money to an account held by a licensed debt adjuster for the benefit of the individual's creditors ([CGS § 52-352b](#)).

Exempt Property With A Monetary Value Attached

Homestead Exemption

The homestead exemption generally permits the debtor to exclude his or her home from execution of a judgment up to the value of \$75,000. The exemption was enacted in 1993. In 2003, the cap was increased to \$125,000 for debt arising out of hospital services. The homestead exemption is based upon the equity value of a primary residence.

In a 2003 Superior Court decision, the court noted that if spouses own a house jointly, then the homestead is subject to a \$150,000 exemption since each of them has an exemption valued at \$75,000 (*Bolduc v. Riches*, 47 Conn. Sup. 590 (2003)). (We found no Supreme or Appellate court decisions or other authorities that address this issue.)

According to BLS' CPI Inflation Calculator, inflation would increase the \$75,000 exemption to approximately \$130,000 and the \$125,000 exemption would increase to approximately \$170,000.

Motor Vehicle Exemption

The motor vehicle exemption was enacted in 1977. In 2007, the legislature increased the exemption from \$1,500 to the current limit of \$3,500 ([PA 07-37](#)). Using the CPI, the motor vehicle exemption would increase from \$3,500 to approximately \$4,200 when adjusted for inflation.

Additional Exemptions with Monetary Thresholds

The exemptions for any property for which the debtor has an interest that is greater than \$1,000 ([CGS § 52-352b\(r\)](#)) and any interest up to \$4,000 for unmatured life insurance contracts ([CGS § 52-352b\(s\)](#)) were enacted in 1993. These amounts would be increased to approximately \$1,700 and \$7,000, respectively, using the same CPI adjustment.

Homestead Exemptions In Other States

All other New England states have homestead exemptions.

In Maine, the standard homestead exemption is \$47,500. But if minor dependents live with the debtor, the exemption is \$95,000 and if the debtor or his or her dependent is at least 60 years old or has a disability, the limit is \$95,000 ([Maine Rev. Stat. tit. 14 § 4422](#)). The exemption does not apply to fraudulent conveyances or certain tort judgments.

In Massachusetts, there is an automatic homestead exemption of \$125,000 if the homeowner does not declare such an exemption with the Registry of Deeds. Alternatively, a homeowner generally may claim an exemption up to \$500,000 by filing a “Declaration of Homestead” with the registry. The exemption does not apply to (1) sales for taxes; (2) a lien on the home recorded prior to the homestead’s creation; (3) a mortgage on the home; (4) spousal or child support orders; (5) money owed for ground rent if the homeowner does not own the underlying land; and (6) court judgments based on fraud, mistake, duress, undue influence, or lack of capacity ([Mass. Gen. Law ch. 188 § 1 et seq.](#)).

In New Hampshire, the homestead exemption is \$120,000. The exemption does not apply to taxes; mechanics liens and liens for the construction, repair, or improvement of the homestead; liens filed by homeowner or condominium associations for unpaid assessments; certain mortgages; and certain levies of execution ([N. H. Rev. Stat. § 480:1](#) et seq.).

In Rhode Island, the homestead exemption is \$500,000 in land and buildings of the debtor’s primary residence. The exemption does not apply to (1) sales for taxes and certain public services liens; (2) debts prior to acquiring the property; (3) debts from buying the homestead; (4) judgments

for spousal or child support; (5) money owed for ground rent if the homeowner does not own the underlying land; (6) reimbursements to the state for medical assistance; and (7) debts to banks ([R. I. Gen. Laws § 9-26-4.1](#)).

In Vermont, the homestead exemption is \$125,000 of the value of a dwelling, outbuildings, and the land used in connection with them owned and used by the debtor as a homestead. The exemption does not apply to taxes, mortgages, or causes of action that existed at the time of acquiring the homestead ([Vt. Stat. Tit. 27 § 101](#)).

Vehicle Exemptions in Other States

All other New England States have motor vehicle exemptions.

- In Maine, the motor vehicle exemption is the debtor's interest, up to \$7,500, in one motor vehicle ([Maine Rev. Stat. Tit. 14 § 4422](#)).
- In Massachusetts, the exemption is for one vehicle needed for personal transportation or for employment, up to \$7,500 of the vehicle's wholesale retail value. The exemption is up to \$15,000 of the vehicle's wholesale resale value if the owner is either disabled or age 60 or older ([Mass. Gen. Law ch. 235 § 34](#)).
- In New Hampshire, the exemption is for one automobile, up to \$4,000 in value ([N.H. Rev. Stat. § 511:2](#)).
- In Rhode Island, the exemption is for any and all motor vehicles up to \$12,000 in total value ([R. I. Gen. Laws § 9-26-4](#)).
- In Vermont, the exemption is for one or more motor vehicles up to \$2,500 in total value ([Vt. Stat. Tit. 12 § 2740](#)).

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