6-14/330.00 Charging Order

Certain types of property are not subject to an execution levy but may be subject to enforcement of a money judgment through some other procedure. A partner’s interest in partnership or limited liability company property is not subject to an execution levy by seizure or garnishment. (CCP 699.720)

A money judgment can be enforced against a debtor partner’s interest in a partnership, but not by writ of execution. Generally, other enforcement procedures must be utilized. A special enforcement procedure enables the creditor to reach a debtor's partnership interests by obtaining a charging order. If a money judgment is rendered against a partner but not against the partnership, the judgment debtor’s interest in the partnership may be applied toward the satisfaction of the judgment by an order charging the judgment debtor’s interest pursuant to CORP 15907.3, 16504, or 17705.03. (CCP 708.310)

A lien on a judgment debtor’s interest in a partnership or limited liability company is created by service of a notice of motion for a charging order on the judgment debtor and on all partners or the partnership, or all members of the limited liability company. If a charging order is issued, the lien created pursuant to subdivision (a) continues under the terms of the order. If issuance of the charging order is denied, the lien is extinguished. (CCP 708.320)