

75-6-113 Financial institution protection -- Setoff -- Attachment, garnishment, and other legal process.

- (1) Without qualifying any other statutory right to setoff or lien and subject to any contractual provision, if a party to a multiple-party account is indebted to a financial institution, the financial institution has a right to setoff against the balance in any account in which the party has or had immediately before his death a present right of withdrawal.
- (2) Without regard to the ownership of funds in any multiple-party account and without incurring liability for wrongful dishonor, conversion, or other liability or damage to any person, a financial institution may refuse to permit any withdrawals from the account after service on the financial institution of an attachment, garnishment, execution, or other legal process against the account. The financial institution shall not be required to pay out any part of the credit balance in the account pursuant to an attachment, garnishment, judgment, or other legal process issued in any proceeding against any one or more but less than all of the persons to whom the account is payable until the institution has been furnished with a certified copy of an order of the court determining which of the persons owned the credit balance at the time the process was served on the institution. Payment pursuant to the process in the amount specified in the court order shall be valid and release the financial institution as to any persons claiming an interest in the account.

Enacted by Chapter 150, 1975 General Session