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Updates

Subscribe to our newsletter – We combined TRIP and SDC news into one newsletter called *Agency Collection News*. You may now subscribe or unsubscribe to this newsletter at: <http://www.revenue.wi.gov/html/lists.html>.

Agency Collections Webinar - SDC and TRIP training will be presented by Corban Gehler and Joseph Mugenga:

Wednesday, December 11, 2013
9:30 - 11:30 a.m.

Reserve your webinar seat at: <https://www2.gotomeeting.com/register/705510610>

In this webinar, we'll review:

- Agency Collection Program updates
- Introduction to Agency Collection programs:
SDC & TRIP
- Navigating *My Tax Account*
- And much more

Important:

- After registering, you'll receive an email explaining how to access the webinar
- This webinar is compatible with a PC or a Mac
- You'll need speakers to hear the presenter. You will not need a microphone
- We'll answer questions live during the webinar

State Debt Collection (SDC) Program Updates

Growing SDC program - We have 38 state agencies and 27 local government agencies in the program. Eleven local agencies have submitted debts to Wisconsin Department of Revenue (DOR) for collection.

Agencies with active debts: 49

Current debt count: 14,569

Total current debt balance: \$44,676,956.16

Collections (July 1 - September 30, 2013): \$2,598,411*

*Includes debt amount, interest, penalty and the DOR collection fee.

State Debt Collection (SDC) Program Updates (cont'd)

SDC Debt Requirements

- A debt **must be** more than 90 days past due.
- A debt must be final, not subject to an open legal action or administrative proceeding.
- A debt should not be submitted to DOR if the debtor enters into a repayment agreement with the agency or is in negotiations to resolve the debt.
- The debtor must be notified in writing (warning letter) at least 30 days prior to referral.

Notice to Debtor

The warning letter should:

- Mention that the debt will be referred to the Wisconsin Department of Revenue (DOR) for collection.
- Contain language to explain DOR's next possible collection actions. DOR's collection actions may include tax refund interception, wage attachment, and bank levy.

A sample warning letter is available at: <http://www.revenue.wi.gov/html/debcoll1.pdf>.

SDC user guides - Find program information and training guides on our SDC webpage. Go to revenue.wi.gov and search keywords, State Debt Collection.

- State Debt Collection User Guide - The user guide provides general program information, enrollment instructions, and file layouts for new users.
- My Tax Account - SDC User Guide - The SDC user guide provides step-by-step instructions with screen shots to guide users through the SDC online application. This application is used to add new debts, update existing debts and receive SDC reports.

Agency Profile: University of Wisconsin - Milwaukee

With the SDC program growing and many agencies reporting successes with SDC, we talked with one of our agency partners to discuss their experience. I had the great privilege to talk to Jerry Tarrer, Associate Vice Chancellor and Director of Business and Financial Services, and Kirsten Archambeau, Accounts Receivable Manager at the University of Wisconsin - Milwaukee (www.uwm.edu).



Jerry Tarrer shared some interesting facts about UW-Milwaukee:

- There are nearly 27,000 students attending.
- They educate the highest percentage of Wisconsin residents than any other university in Wisconsin.
- They are the second largest research institution in Wisconsin, behind UW-Madison.

SDC Program Highlights:
University of Wisconsin – Milwaukee

SDC Program Start: October 2011

Collections:

- FY2012: \$551,378.27
- FY2013: \$3,123,474
- FY2014: \$653,124.18 (July - September)
- Total: \$4,327,976.45

Debt on Roll: \$10,124,463.55

Debt Count: 2,978 (October 1, 2013)

Fiscal year is from July 1st to June 30th

Agency Profile - University of Wisconsin - Milwaukee (cont'd)

After discussing the university, our focus turned to the SDC program. From Kirsten Archambeau's enthusiasm, it was evident the SDC program adds value to UW-Milwaukee. Kirsten described how it all began. She received an email from the controller's office stating there was a new Wisconsin law going into effect and all debts over 90 days would need to be submitted to DOR. Kirsten stated, "Many discussions took place about basic steps to notify the debtor of our intent to certify the debt." Kirsten added that making sure staff understood the program was an important component. The types of debts submitted to DOR are, as Kirsten described, "non-federal." Debt types include tuition, transit bills, student loans, child care costs, and salary overpayments.

With a university budget of over \$700 million dollars, some may wonder what sort of an impact a program such as SDC has. Kirsten answered, "A lot of impact." She continued, "We have collected over \$4 million dollars since 2011. We are very satisfied and it is a very successful program." Jerry also mentioned these dollars are helping because the university has to be more reliant on tuition from students than in the past.

Lastly, Kirsten shared advice for anyone considering the SDC program, "Use the SDC program and stay on top of things since this program is so effective. State agencies are fortunate this is available to them."

What great advice, Kirsten! The good news is the SDC program is not just for state agencies to use. Municipalities and counties can also join the program.

To find out more, visit us at: <http://www.revenue.wi.gov/html/debtcoll.html>. – Corban Gehler

Common Questions

1. Is SDC replacing TRIP?

No. TRIP and SDC are separate programs with different collection authorities. TRIP debts are limited to refund offsets. In addition to refund offsets, DOR staff collects SDC debt through payment plan receipts, wage attachments and bank levies.

2. Can I submit out-of-state debts to DOR?

Yes. DOR collects out-of-state debts, but with limited collection authority. Out-of-state debts are mainly collected through voluntary collection actions such as payment plans. DOR may collect through a bank levy if the debtor's financial institution has a physical office location in Wisconsin.

3. We currently have a TRIP account. How do I enroll in the SDC program?

To enroll in the SDC Program, an agency must first enter into a SDC agreement with DOR. Upon agreement, we set up an SDC account. An agency is required to submit financial institution information for electronic deposit of collection proceeds. To obtain SDC application material, email the SDC coordinator, Joseph Mugenga at Joseph.Mugenga@revenue.wi.gov or call 608-264-0344.

Common Questions (cont'd)

4. We currently have debts in TRIP. Will DOR automatically transfer the debts from TRIP to the SDC account?

No. DOR does not transfer debts from TRIP to SDC. You may remove the debts from TRIP and resubmit them to SDC. Some TRIP debts cannot be certified to SDC. An SDC debt must be at least \$50.00. In addition, SDC requires detailed information about the debt such as the debtor ID, debt ID, debtor's address, debt assessment date, debt description, etc. See the SDC User Guide for a complete list of requirements: <http://www.revenue.wi.gov/html/debcoll4.pdf>.

5. Do I need to notify the debtor of SDC referral if the debt was already referred to TRIP?

Yes. The requirements for the debtor's notice are different for each program. For SDC, all agencies notify the debtor at least 30 days prior to referral. For TRIP, the notice time depends on whether the agency submitting the debt is a state agency or a local government. In addition, the SDC notice mentions DOR's collection authorities beyond refund offset (payment plan receipt, wage attachment and bank levy).

6. Does DOR assess interest for the debt I certify?

DOR assesses interest only if the debt you are certifying accrues interest. If you are submitting a debt that accrues interest, you must provide an annual interest rate for DOR to calculate interest and collect the amount on your behalf.

My Tax Account (MTA) Tips

Is it okay to share MTA logins or WAMS ID?

No. This is a security issue and a breach of the SDC and TRIP agreements with DOR. Agencies may have multiple users, with separate profiles, who have access to the same account. Each user must register individually for MTA or obtain their own WAMS ID if accessing the secure folders. Once registered, DOR will provide access to your agency's account. More information is available in the MTA Registration User Guide and Secure File Transfer Protocol (SFTP) Transmission Instructions.

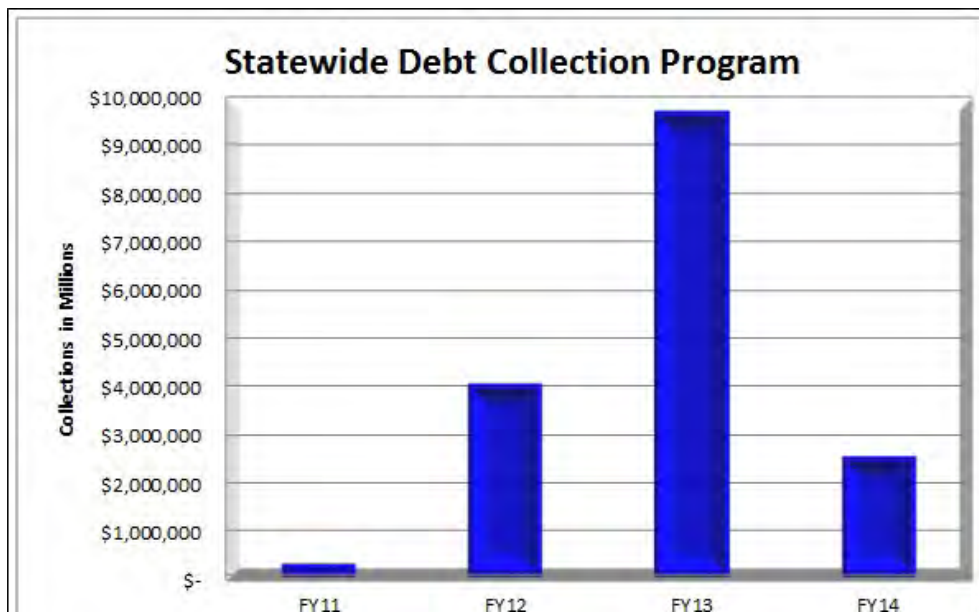
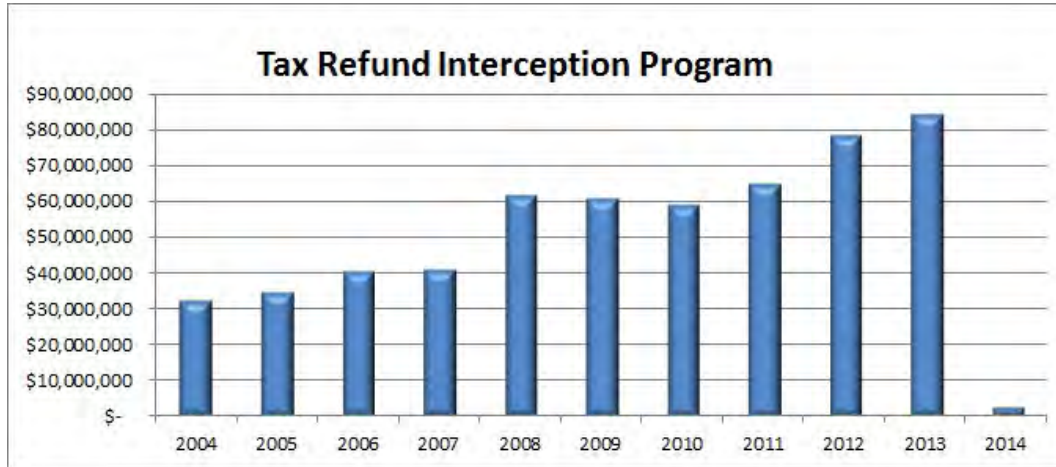
What is the difference between Debtor ID (AIN) and Debt ID?

The **Debtor ID** is your agency's unique ID for the debtor and should be different than a Social Security Number. The **Debt ID** is a unique ID for the debt, like an account receivable number or invoice number. If you do not assign an ID to debts, use a sequence like 1, 2, 3 for each referred debt.

Note: AIN and Debt ID are required for SDC debt. They are not required for TRIP.

Historical Agency Collections

DOR operates on a fiscal year. The collections below are from July 1-June 30.



Collections Reports by agency for TRIP are now published on the DOR TRIP webpage, under Quarterly Settlement Reports. Use your 6 digit agency ID number to find your statistics.

Contacts

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