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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: www.revenue.wi.gov/html/lists.html.

Updates

Agency contact information- Have you had any changes in personnel lately? Please update your contact information with us. Complete and submit your information by clicking [here](#).

2013 Wisconsin Act 20 changes setoff hierarchy- Effective January 1, 2014, Section 71.93(3)(a), Wis. Stats., was amended to change the order in which refunds offset debt as follows:

1. Wisconsin Department of Revenue (DOR) administered debts
2. Child support debts referred by Department of Children and Families
3. Statewide Debt Collection (SDC) debts referred by state agencies
4. SDC debts referred by local governments
5. Tax Refund Intercept Program (TRIP) debts referred by state agencies
6. TRIP debts referred by local governments
7. Federal government debts
8. TRIP debts referred by tribal governments
9. Other states' debts

Safeguard Taxpayer Information

The refund setoff programs require that state and local governments exchange sensitive taxpayer information in order to achieve a debt match with the Department of Revenue's tax records. Remember to keep this information confidential. Make sure safeguards are in place to ensure that personal and financial information is kept confidential.

Email may not be secure. In order to gather all the details when resolving debtor issues and avoid a breach of confidentiality with that data, we have developed a method for our partners to submit debtor mismatch questions in a secure manner by using *My Tax Account* (MTA).

When logged in to MTA, submit your request by filling out the "TRIP Inquiry" link in your TRIP account.

TRIP - Handling Debtor Inquiries

DOR processes refunds daily and sends the debtor a notice with the amount of their refund intercepted for agency debts. This notice provides the agency phone number and contact name. Debtors may know about the setoff before you have been sent your posting notice. Here are some tips for handling these customer inquiries:

- Verify that the proceeds have been intercepted by checking *My Tax Account* – Debt Summary. DOR updates the Debt Summary daily with the amounts intercepted.
- Once verified, explain that it can take up to three weeks for DOR to transfer the money to apply to the debt.

Balance Update

Agencies are required to update the TRIP balances as soon as possible after processing a payment or adjusting a debt. In the event that an intercept is processed against a debt that was not adjusted timely, the agency is required to refund the intercepted amount to the debtor. If the entire balance should have been adjusted to zero before the intercept, the agency is also responsible for refunding the DOR fee. The fee is \$5.00 per intercept for each debt.

My Tax Account – Debt Summary: Use this feature to review transactions and updates posted to a debt. Debt Summary can be used to inquire about an intercept that you cannot find, either because it was not recorded in your records or the funds for that intercept have not yet been received from DOR. Please refer to the [My Tax Account User Guide](#) for more information.

My Tax Account – Agency Summary: This feature is a list of all active debtors for an agency and is available upon request through *My Tax Account*. Agencies may request this report in XML and Excel formats. For agencies using Secure File Transfer Protocol (SFTP), the requested report will be placed in the SFTP pickup folder.

Common Questions

1. We received TRIP money; how do I know where to apply the payment?

DOR sets off refunds against certified debts daily. We send you a posting notification report each week. This report tells you the debtor name, debt number, and amount applied.

- The proceeds are sent weekly by Electronic Funds Transfer (EFT).
- The funds are available in an agency's bank account by the following Monday (timing may change due to holidays).

It is important to note that for some agencies, the person who receives the posting notice may not have access to the agency's bank account, or vice versa. Please work together to reconcile the agency's posting notice with the deposits. Agencies are allowed to have multiple TRIP users. If your agency changes personnel and no one has access to your TRIP account, please call 608-264-0344 or email trip@revenue.wi.gov.

Common Questions (cont'd)

2. Can DOR reverse a debt I submitted in error?

No. Agencies are responsible for closing and updating debts. You can close or submit balance updates daily through file transfer or *My Tax Account*. If you submitted a debt to DOR in error or forgot to update the debt balance, you need to issue a refund to the taxpayer when the funds are received from DOR. You are also required to refund the collection fee of \$5 per debt.

3. I need to send a refund to the debtor. Can DOR provide the updated address for the debtor?

Yes. Send your request through MTA-TRIP Inquiry or email: trip@revenue.wi.gov.

4. What happens if a debtor indicates that a joint refund should not have been intercepted because the debt was incurred before the marriage?

Debt owed to state agency or federal government: Refunds from joint returns are automatically prorated by DOR staff if the debt is owed to a state agency or the federal government. Only the debtor's portion of refund will be set off against the debt.

Debt owed to local government, tribal government, or other states: DOR does not automatically prorate refunds from joint returns when the debt is owed to a local government, tribal government, or another state. You may advise the debtor to use IRS Form 8379 to file an injured spouse claim. The debtor must also provide a copy of the marriage license and proof from the agency as to when the debt was incurred.

5. Why is DOR requesting the return of setoff funds?

Occasionally, DOR may contact you to return setoff proceeds. Reasons for recalling proceeds include fraud, scanning error, or error on the tax return. DOR will adjust the debt amount in order to maintain your debt priority. When you receive a recall request, please send the proceeds to DOR within 30 days.

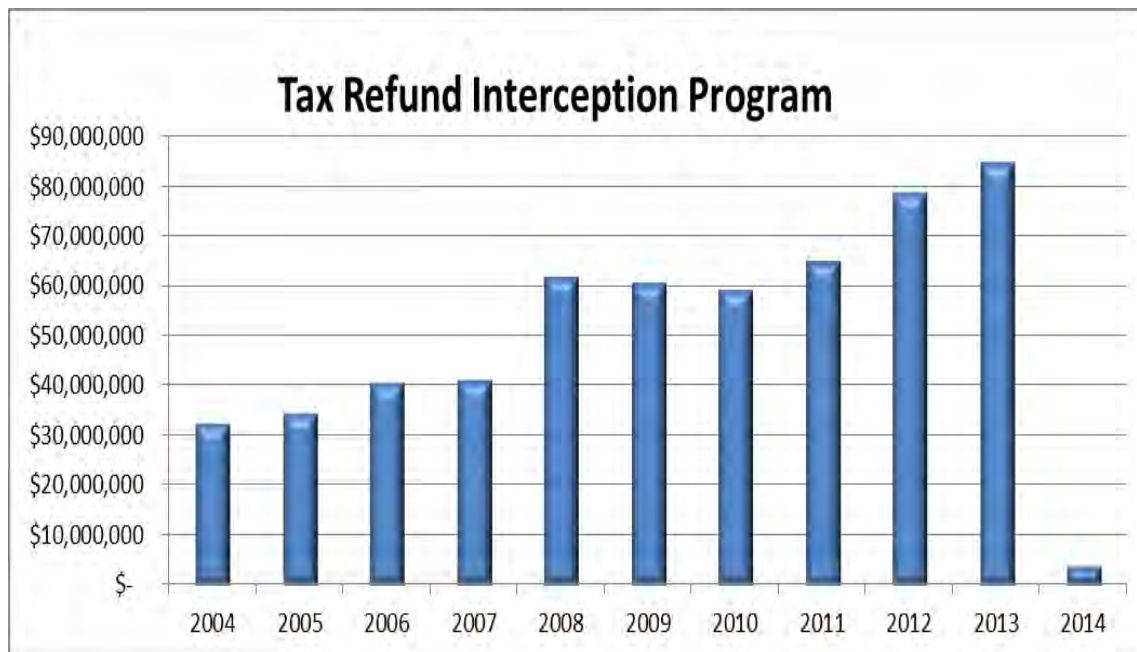
6. Is restitution eligible for TRIP or SDC?

By statute, eligible debts include restitution; however, the statute also states the debt must be owed to a government agency. Do not certify restitution debt if it is owed to the victim.

Agency Collection News - February 2014

Historical Agency Collections

Numbers are based on a fiscal year (FY) July 1st to June 30th. For FY 2014, numbers are through Dec. 30, 2013.



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