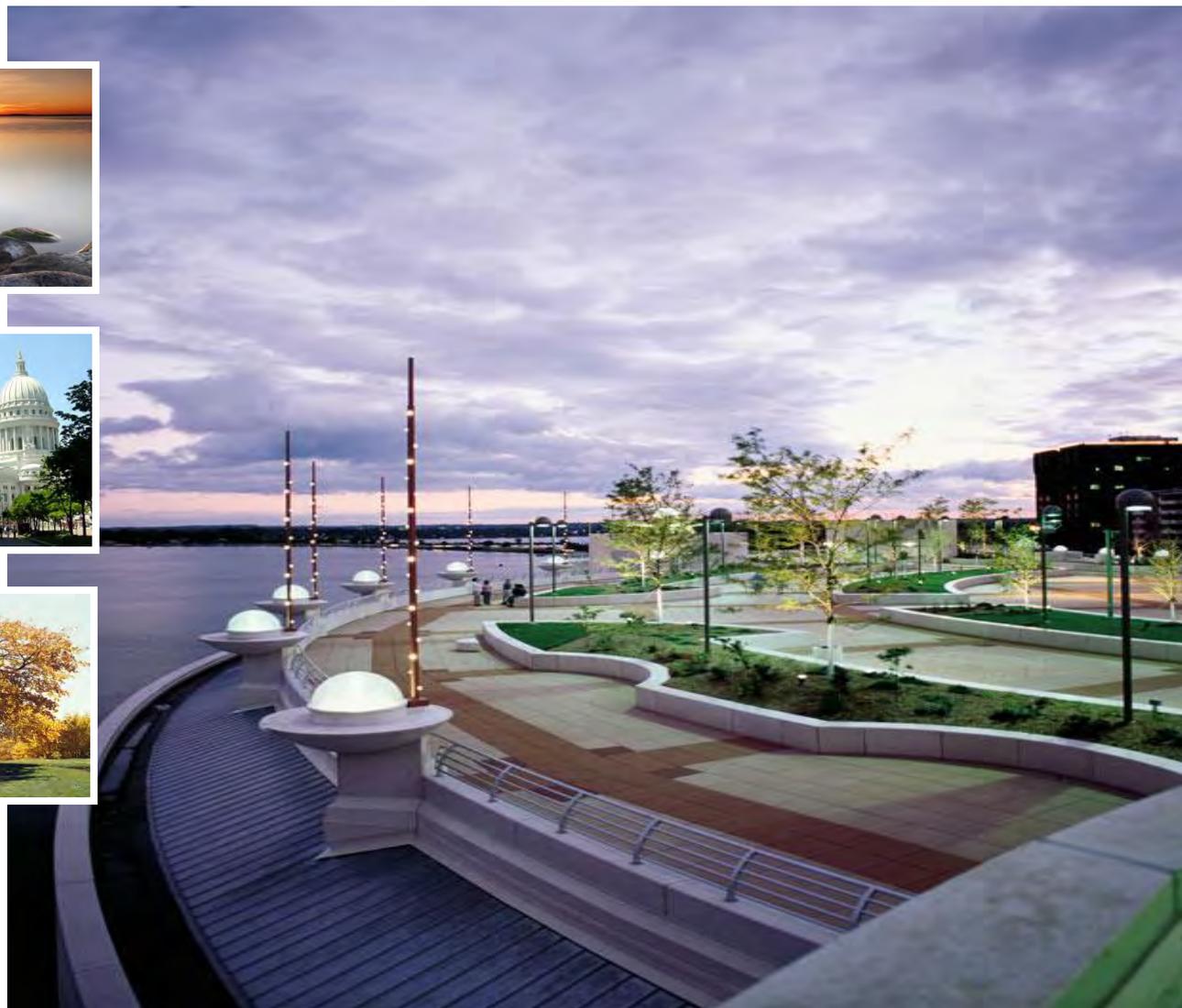
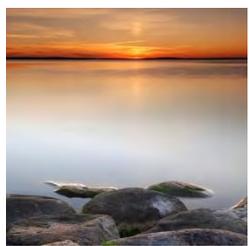
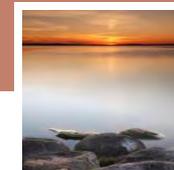


Agency Collection Programs

Maximize your collection efforts



Agency Collections



TRIP

Tax Refund Interception Program

- New to TRIP?
- What types of debt do you certify?
- Do you use collection agencies?

TRIP Requirements



Local governments – sec. 71.935, Wis. Stats.

- **Definition of DEBT** – "...and any other debt that is at least \$20..."
- **Debt Amount** - Each debt must stand on it's own as \$20.
 - You cannot add up 4 debts of \$5 to make the \$20 requirement.
 - You can add 5 debts of \$20 to certify as \$100.

TRIP Requirements



Local governments – sec. 71.935, Wis. Stats.

- **Definition of DEBTOR** – "...owes a debt to a municipality or county."
- Note – restitution may be certified as long as it is owed to the local government. It cannot be certified if it is owed to the victim.

TRIP Requirements



Local governments – sec. 71.935, Wis. Stats.

- **Reasonable notice & opportunity** – the debtor must be provided with notice that they owe the assessment.
- **Debtor notice** – Within 5 days a notice of certification letter must be sent to the debtor.
 - **To last known address**

TRIP – Business Rules



Local governments – sec. 71.935, Wis. Stats.

- **Debt balance must be greater than \$20.00.**
 - When a debt balance falls below \$20 we will close the debt for collection.
- **Refund amounts of greater than \$10.00 will be set off against debts.**
- **There is a \$5.00 fee to the debtor for each setoff.**

TRIP – Business Rules



Local governments – sec. 71.935, Wis. Stats.

- **Keep balances current.**
 - If a debtor pays you, update the amount in TRIP right away. DOR intercepts refunds all year around.
 - Request Agency Summary frequently
- **Monthly interest updates are allowed.**
- **Certify each debt as new.**
 - You cannot add to debt balances other than for interest.

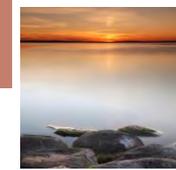
TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

- **Who uses *My Tax Account* to add new debts & update existing debts?**
- **Who uses *My Tax Account* to upload a file of new and updated debts?**
- **Who uses SFTP portal to upload a file of new and updated debts?**

TRIP – My Tax Account



Local governments – sec. 71.935, Wis. Stats.

DOR provides options:

- Enter debts, update debts one at a time. Great for smaller agencies that do not have many debts.

Wisconsin Department of Revenue

TRIP Agency

TRIP Agency Id 123-456

Filing Frequency None

Names and Addresses

Legal Name Agency Name

DBA Name

Location Address

Mailing Address

Requests⁴ Notices¹⁴ Mail

Waiting to be Processed⁴ Search

Requests from 01-Oct-2011 Change Date Confirmation Number Defaults Filter

1 - 100 of 365 1 2 3 4

Started	Action Taken	Account	Id	Period	Title	Status	Confirmation #
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TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

DOR provides options:

- **Send a file with new debts and debt updates using DOR provided XML schema.**
 - **Smaller agencies (fewer than 250 debtor rows per file) use *My Tax Account* to upload.**
 - **Larger agencies (more than 250 debtor rows per file) use SFTP portal.**

TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

Debts are certified with:

- **Social Security Number (SSN)**
- **Driver's License Number (DLN)**
- **Federal Employer Identification Number (FEIN)**
- **Note: If you do not have one of the three types above, you may need to hire a collection agency to locate the identifier for you.**

TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

Name matching:

- **If SSN exists in tax system:**
 - First four of last name, if that does not match, then first four of first name to catch marital status changes.
 - If Name/ID mismatch use TRIP Inquiry to request validation. Sometimes the tax history is wrong.
- **Set up if SSN does not exist in tax system**
- **DOR performs a validation when the refund is created to review name if different.**

TRIP – *My Tax Account*

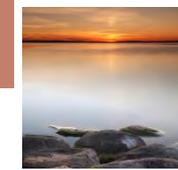


Local governments – sec. 71.935, Wis. Stats.

Refund overpayment processing:

- **DOR intercepts nightly and generates a notice to the taxpayer with agency contact information**
- **Debtors are going to receive notice before you will.**
 - **DOR updates the balance nightly**
 - **Use *My Tax Account* Debt Summary to review transactions posted to a debt**

TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

Debt Summary:

Debt Number	Agency Id	Posted Date	Change	Balance Due	Source
00006	967-010	02-Oct-2010	0.00	259.50	INITIAL
00006	967-010	10-Jan-2011	-114.00	145.50	AGY ADJ
00006	967-010	13-Feb-2012	0.00	145.50	AGY ADJ
00006	967-010	13-Feb-2012	-145.50	0.00	REF INT

- Transaction Sources
 - Initial, amount originally certified
 - Agency Adj, payment received by agency
 - Ref Int, refund payment received by DOR
 - Vendor Int, vendor payment received by DOA

TRIP – *My Tax Account*



Local governments – sec. 71.935, Wis. Stats.

Overpayment Recalls:

- **DOR may contact you to send proceeds back.**
 - We adjust the debt amount on our end to maintain your debt priority.
- **Reasons for recall**
 - Fraud
 - Data entry error
 - Taxpayer error

TRIP – *My Tax Account*



www.revenue.wi.gov



Home

Businesses

Individuals

Tax Professionals

Governments

**Tax Info ■ Forms ■
Common Questions**

- Property tax
- TRIP (Tax Refund Intercept Program)



TRIP – *My Tax Account*



www.revenue.wi.gov

- **New Customers Registration Procedures**

- Publications – legislation, policy, and procedures
 - Application to register for TRIP
- Bank account forms – new & existing users

TRIP – *My Tax Account*



www.revenue.wi.gov

- **Operation Manuals and Policy Guides for Existing Users**
 - *My Tax Account* – TRIP Registration and User Guide

Print it – keep as a desktop reference

TRIP – *Collection Results*



- **Program statistics:**
 - Debt balance is **\$2.9 Billion in APR2013**
 - Collections **\$77.4 Million in thru April 2013.**
- **Local Governments:**
 - Collections **\$33 Million in FY 2012**
 - Collections **\$33 Million in FY 2013 (YTD)**

SDC Program



SDC

State Debt Collection Program

Sec. 71.93(8), Wis. Stats.

- **State agencies are required**
- **Local governments may participate**

Agency Collections



SDC

State Debt Collection Program

The main difference is that DOR becomes collector of the debt.

- Agency must stop all collections

Agency Collections



SDC

State Debt Collection Program

DOR uses same authorities as in individual income tax collections:

- Payment plan
- Wage attachment
- Financial institution levy
- Refund offset

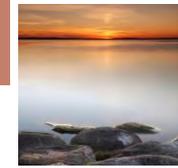
SDC Program



Debts to refer

- Debt balance > \$100
- Debt amount must be final
- Aged at least 90 days
- Debtor has not paid, or entered into payment plan.

SDC Program



Debts to refer

- Property tax
- Hotel tax
- Utility bills
- Judgments

SDC Program



Referral Notice

- Similar to TRIP notice
- 30 days prior to referral
- Provide opportunity for debtor to resolve the debt.

SDC Program



Collection Fee

- Debtor is assessed the fee
- Fee = 15% (\$35 minimum) of amount referred
- Fee is satisfied first by statute

SDC Program



Interest

- If your debt has interest, then DOR will assess monthly at the rate you specify
- After fees are satisfied, payments are applied to interest, then debt amount.

SDC Program



Debt balances and updates to debt

- Adjust debt balance either up or down, only if the amount originally sent was in error
- Collection fee, and interest automatically adjust based on new balance

SDC Program



Debt Recall

- Use if the debt was sent in error
- DOR sends back the remaining balance

SDC Program



Payments received by agency

- If you receive a payment by check – send the check to DOR
- If you receive an electronic payment – contact us. We will work out the easiest method to resolve.

NOTE: If you receive the payment after referral – DOR's collection fee is still due.

SDC Program



Reports

- Agency Summary
 - Complete listing of active debtors
 - Bankruptcy info
 - Current balance
 - Collections to date
 - Collection stage

SDC Program



Reports

- Return debt
 - Listing of debts we are returning to your agency.
 - Return reasons include: Satisfied, uncollectible, deceased.

SDC Program



Reports

- Payments
 - Monthly distribution
 - Amounts collected by debtor report
 - Payments are sent by ACH 3 business days after payment report

SDC Program



Collection Success

- Debt roll: \$38.6 million
- Collections
 - FY2012 \$4 million
 - FY2013 (YTD) \$8.2 million

SDC Program



SDC Payments

- 34% Voluntary
- 38% Wage Attachment
- 21% Refund Offset
- 7% Levy

Other less than 1% include: Unclaimed property, vendor setoff

SDC Program



SDC University Study

- 2010 UW campuses used TRIP to recover @ \$2 million
- 2012 UW campuses transitioned to SDC program recovery \$3.6 million
- 2013 UW SDC recovery is \$7.2 million and counting...

DOR CONTACTS



Contact Information:

- Use My Tax Account – TRIP, TRIP Inquiry to send questions.
- Use trip@revenue.wi.gov to send non-confidential questions.

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Corban Gehler 608-264-0344

Susan Dukes 608-266-9397