Agency Collection News

Wisconsin Department of Revenue

"Maximize your collection efforts" *May 2014*

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Updates

Professional Placement Services (PPS) was awarded a state contract to provide debtor identification and location information such as a Social Security Number (SSN), Federal Employer Identification Number (FEIN) or an address to our agencies. For more information on how to obtain debtor identification information, please contact PPS directly.

PPS Contact Information:

Karri Thiesenhusen
Tel: 877-220-4106
Email: skip@paypps.com

SDC & TRIP Debt Certification

Identification and name matching

- The Wisconsin Department of Revenue (DOR) accepts a debt when the identifier (SSN, FEIN, or DLN) and name match in our tax processing system.

- DOR also accepts a debt when there is no history of the identifier in our system. If a return with a refund is later filed, we check the SSN and name before offsetting to the debt. If there is a mismatch, the debts are manually reviewed. DOR will research name history and either change the name on the debt if there is evidence of a name change or close the debt and return it to the agency.

- A debt is immediately rejected when the identifier (SSN, FEIN, or DLN) exists in our tax processing system, but does not match the name in our system. If an ID/name mismatch occurs, you will receive an error message that prevents the debt from being submitted. The ID/name matching is instant when using *My Tax Account* (MTA). If you submit a debt using file transfer, the rejected debt will be in your response file.

SDC & TRIP Debt Certification (cont'd)

Statute of limitations

Agencies are responsible for complying with the statute of limitations that cover the specific debt they are certifying. DOR does not impose a statute of limitations on other agency debt, nor does DOR review the statute of limitations for your debts. Contact your legal advisor if you have questions regarding your applicable statute of limitations.

SDC debt that accrues interest

DOR assesses and collects interest *only if* the debt you certify accrues interest. Simple interest, based on the principal amount certified, is calculated monthly. The interest is posted to the account on the first business day of the month. Payments received from the debtor will post to interest first, then to principal.

To submit a debt to SDC that accrues interest, you need to complete the fields provided for interest information.

SDC & TRIP File Transfers and Reports

TRIP file transfers and reports

- *File Maintenance (daily)* - agencies send a File Maintenance (FME) for new debt/debt update. The department sends a File Maintenance Response (FMR) the next day. The file lists if the debt is accepted or rejected and provides a reason for rejection.

- *Posting Notification (weekly)* – is available *on Wednesday*, with exception for holidays. It provides the debtor, debt number, and amount intercepted. The total amount on this file matches your distribution. Funds from the distribution are available by the following Monday, with exception for holidays.

- *Closed Debt File (monthly)* – is available on the *first Tuesday of the month*. The report includes debts closed for falling below balance threshold ($20.00) and debts where the name and ID do not match.

- *Agency Summary (on demand)* – is available on demand through *My Tax Account* and is sent in either Excel or XML format. The report lists all active debtors for an agency.

SDC file transfers and reports

- *New debt/Debt Update file & Response file (daily)* – agencies may submit a file for new debt or debt update. A response file will be available the next day. The file will list if the debt is accepted or rejected and provides the reason for rejection.

- *Transaction file (monthly)* – is available on the *first business day of the month* for collections from the 1st to the end of the previous month. The amount on this file will match your distribution. Agencies receive the funds from the distribution three business days later.

SDC & TRIP File Transfers and Reports (cont'd)

- *Return file (monthly)* – is available on the *first business day of the month* for uncollectible debts returned to the agency.
- *Agency Summary (monthly)* - is available the *first business day of the month* for all SDC agencies. The report is also available on demand through *My Tax Account*. The agency summary lists all active debts for an agency.

SDC Debtor Payments Received by the Agency

Partial payments: If you collect a partial payment, send the amount received to DOR. We will apply the payment, adjust the balance due and send a balance statement to the debtor. You will receive your portion of the proceeds in the monthly remittance.

IMPORTANT:

- Do not use the recall transaction. If the debtor paid your agency, we will apply the payment and continue to collect the balance. Recall should only be used if you sent the debt to DOR in error.
- Do not use the debt update transaction to change the amount of the debt. This will cause an adjustment to the collection fee and any interest calculated to date. Use the debt update transaction only if you send DOR the wrong amount and need to amend the debt.

Payment in full: If you collect the total amount due *including* the DOR collection fee, you may:

- Notify DOR of the payment using transaction type 4 (for agencies using file transfer) or Report payment link (for agencies using *My Tax Account*).

  Note: Reporting a payment is for informational purposes only. The information will be used to stop collection activities while waiting for payment to be sent to DOR.

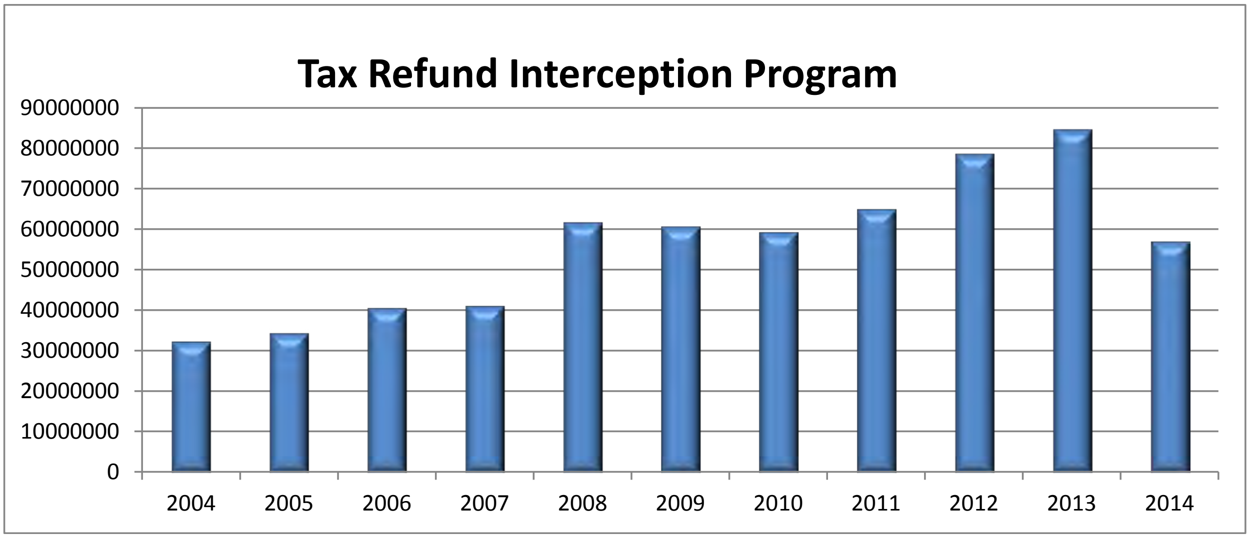
- Send the collection fee. DOR will write off the remaining balance and the debt will be satisfied.

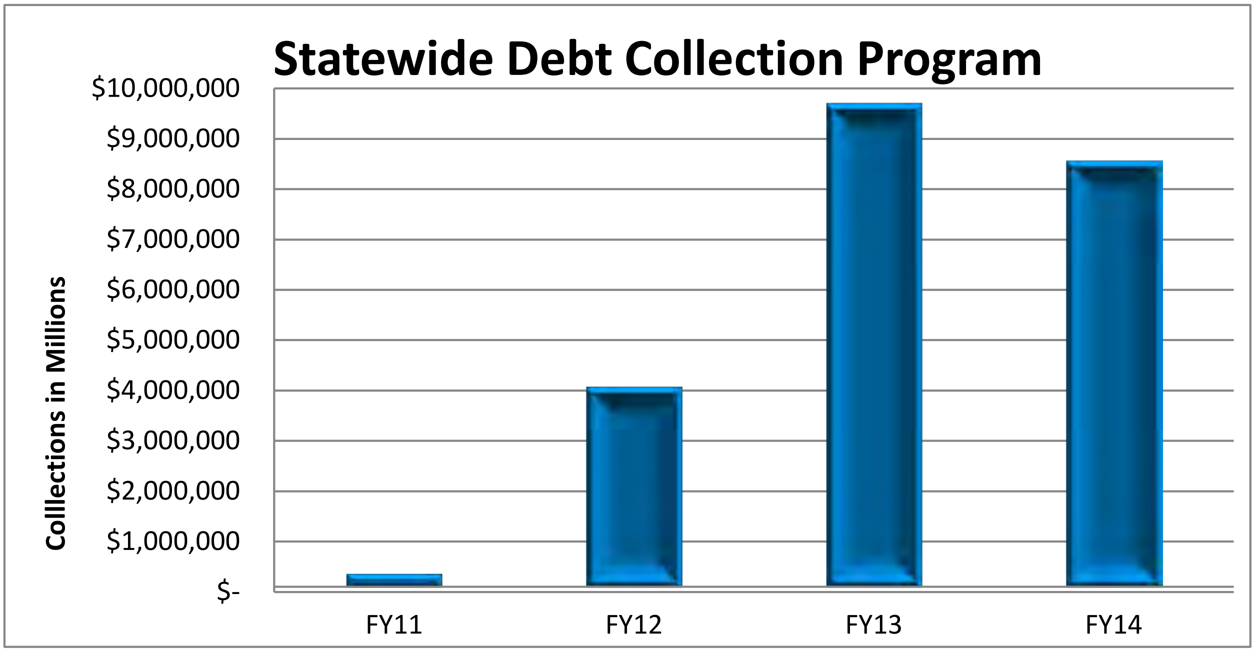
Send a check for collection fee to:

WI DEPARTMENT OF REVENUE
MAIL STOP 4-206
PO BOX 8901
MADISON WI 53708-8901

Historical Agency Collections

Numbers are based on a fiscal year (FY) July 1st to June 30th. For FY 2014, numbers are through March 31, 2014.





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