

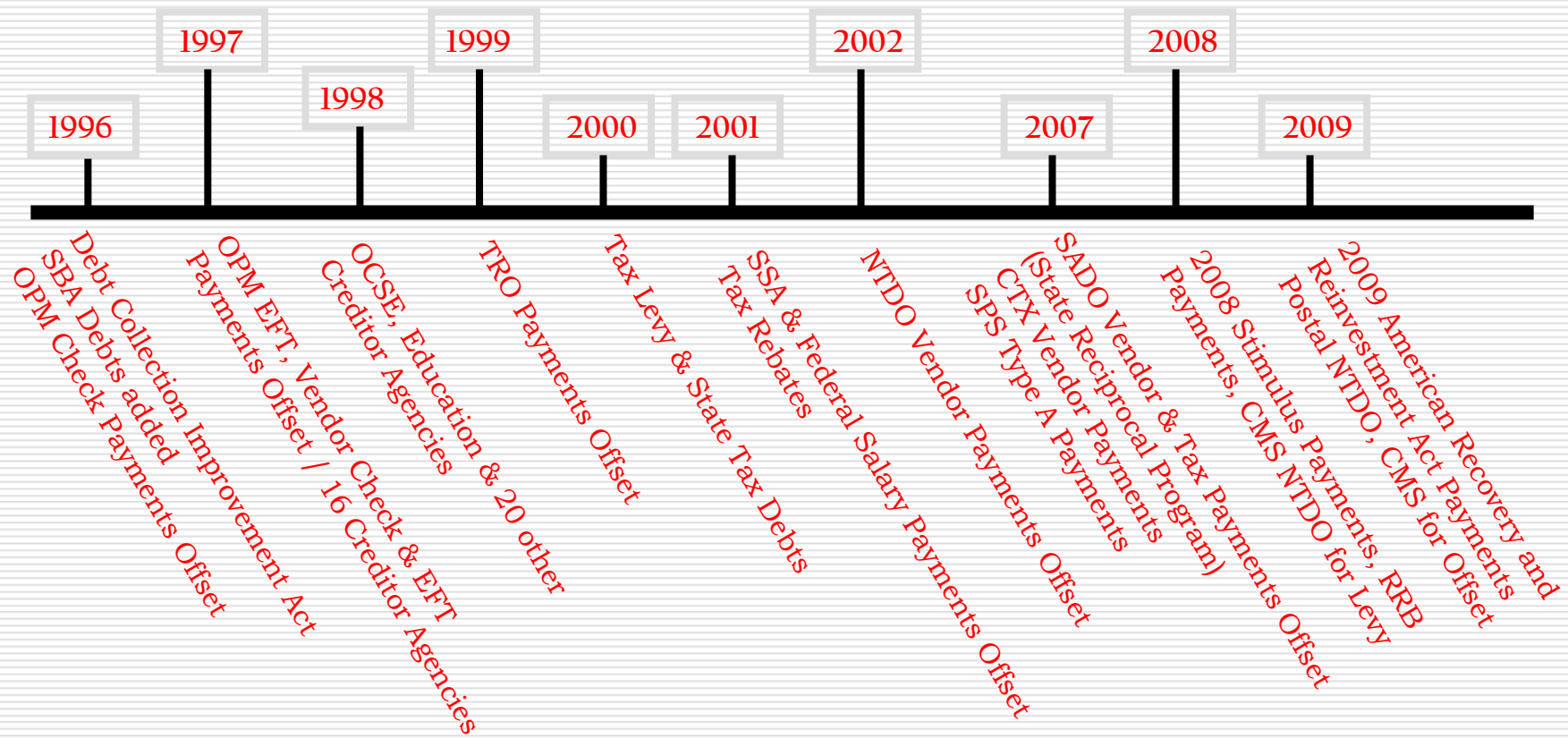


Where we were

Where we are

Where we are going

Treasury Offset Program History



Treasury Offset Program History

- Administrative Offset Implemented December 1996
 - FY 07 16,661 debts were submitted representing 495.9 Million in delinquent federal non-tax debts
 - Administrative offsets through December 1997 were 1,423 for \$339,185.51

- Tax Refund Offsets Implemented January 1999
 - Collections through December 1999 were 2,963,432 for \$2,856,882,378

- State Income Tax Offset Implemented January 2000
 - In the first year 19 states participated
 - Collections through December 2000 were over \$74 million

- Tax Levy Implemented July 2000
 - 8.9 million debts submitted representing \$90 Billion in delinquent federal tax debt
 - Tax levies through December 2000 were 5,012 for \$1,690,366

- Benefit Payment Offset Rollout Started March 2001
 - Initial offsets against SSA Benefit Payments occurred in May
 - Total collections through December 2001 were 166,753 for \$18,939,353



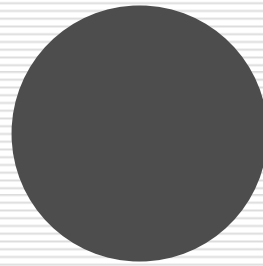
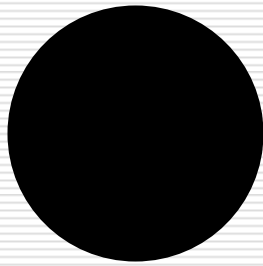
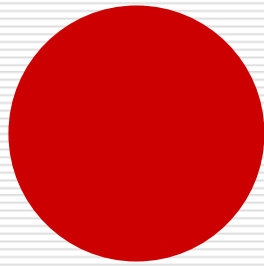
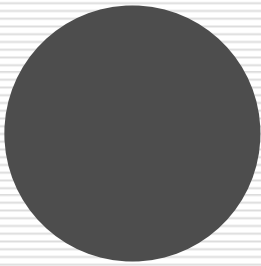
TOP Database

(As of May 7, 2009)

❑ FY 1997 Debts	16,661	\$495.9 Million <i>(Initial Amount Delinquent)</i>
❑ FY 2009 Active Debts	28.5 Billion	\$300.6 Billion
❑ Federal Non-Tax Debt	6.3 Million	\$47 Billion
❑ Child Support Debt	7.3 Million	\$99.7 Billion
❑ Federal Tax Debt	11.3 Million	\$144.4 Billion
❑ State Income Tax Debt	3 Million	\$7.6 Billion
❑ Other State Debt	377,443	\$1.8 Billion



Successes



TOP Collections to Date

\$38.5 Billion

- Federal Tax Debt \$1.8 Billion
- Child Support Debt \$19.2 Billion
- Federal Non-Tax Debt \$15.4 Billion
- State Income Tax Debt \$2 Billion
- Other State debt \$30 Million

FY 2008 Breakout

\$6.2 Billion

- Federal Tax Debt \$495.1 Million
- Child Support Debt \$3 Billion
- Federal Non-Tax Debt \$2.3 Billion
- State Income Tax Debt \$408.9 Million
- Other State debt \$20.7 Million

FY 2009 Breakout

Collections as of May 7, 2009
\$3.9 Billion

- Federal Tax Debt \$217.1 Million
- Child Support Debt \$1.8 Billion
- Federal Non-Tax Debt \$1.5 Billion
- State Income Tax Debt 304.5 Million
- Other State debt \$4.9 Million

Centralized Salary Offset

- National Finance Center (NFC)
- Department of Interior (DOI)
- U.S. Postal Service (USPS)
- Defense Finance and Accounting Service (DFAS)
- General Service Administration (GSA)

Collections to Date \$225.3 Million

Non Treasury Disbursed

- ❑ DFAS
- ❑ Army Corps of Engineers
- ❑ Centers for Medicare and Medicaid Services

Collections to Date \$218.6 Million



State Agency Disbursed

State Reciprocal Program

- New Jersey, Maryland

- Pilot Evaluation
 - In July 2008, the State Reciprocal Pilot Program was evaluated and a decision was made to fully implement the program. We are currently working with the States of New York and Wisconsin to bring them into the program.

- Collections to date
 - States \$48.8 Million
 - Federal Agencies \$597,808

2001 Tax Rebates

□ Offsets began on July 20, 2001

■ Child Support	\$102,356,534
■ Federal Non-Tax	\$ 74,783,770
■ State Tax	\$ 4,413,901

Total Collections \$181,554,206

2003 Advance Child Tax Credits

☐ Offsets began on July 10, 2003

■ Child Support	\$120,775,717
■ Federal Non-Tax	\$ 69,060,539
■ State Tax	\$ 17,560,002

Total Collections \$207,396,259

2008 Stimulus Payments

□ Offsets began on April 28, 2008

■ Child Support	\$863,348,688
■ Federal Non-Tax	\$589,335,830
■ State Tax	\$ 93,963,148

Total Collections \$1,592,859,232

2009 American Recovery and Reinvestment Act Payments

□ Offsets began on April 27, 2009

■ Child Support	\$48,837,972
■ Federal Non-Tax	\$43,305,419
■ State Reciprocal	\$ 4,609,062

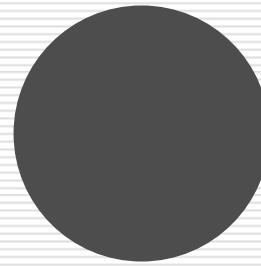
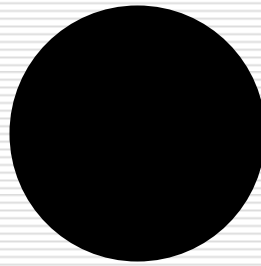
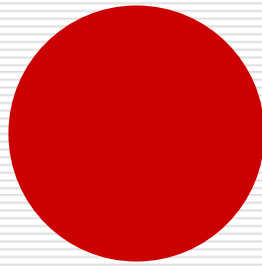
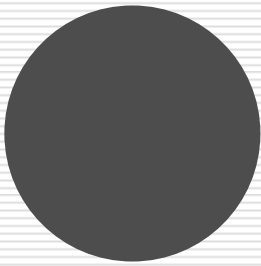
Total Collections as of May 7, 2009
\$96,752,454

Electronic Successes

- ❑ Implementation of Web Client – September 2008
- ❑ HROC move to KROC
- ❑ Connect:Mailbox conversion to
Connect:Enterprise

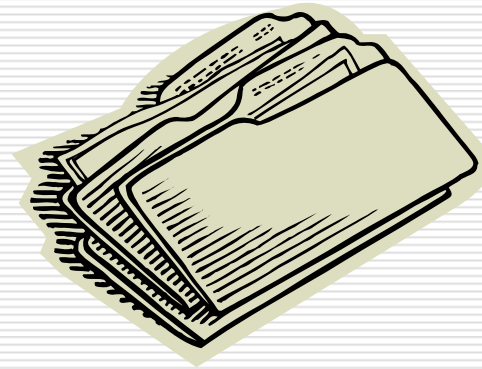


What's New - What's Coming



New Payments

- ❑ CMS – provider payments (*October 2009*)
- ❑ USPS – vendor payments (*July 2009*)
- ❑ New York - (*fourth quarter 2010*)
- ❑ Wisconsin – (*first quarter 2011*)
- ❑ Tri Care- provider payments



Debt Check

- New Agency - MOU Signed
 - Department of Commerce's National Marine Fisheries Service

- Batch Processing



Legislative Initiatives

□ 10 year Statue of Limitation lifted

(The Food, Conservation and Energy Act of 2008, Public Law 110-234)

- Regulation at the Department for approval

□ Change in Debt Priority

- *Deficit Reduction Act of 2005* requires all child support debts (TANF and non TANF) to have same debt priority