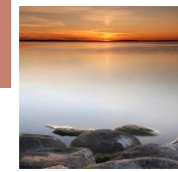


Agency Collection Programs

Maximize your collection efforts

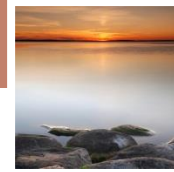




This presentation is an informal explanation and is not a guidance document as defined in sec. 227.01(3m)(a), Wis. Stats.

This presentation provides statements or interpretations of the following laws and/or regulations in effect as of August 31, 2019: Subchapter XV of Ch. 71, Wis. Stats.

Agency Collections



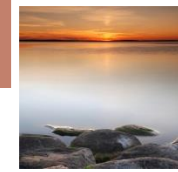
AGENCY COLLECTION PROGRAMS:

State Debt Collection
(SDC)

&

Tax Refund Intercept Program
(TRIP)

SDC Program



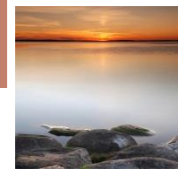
SDC

State Debt Collection Program

Sec. 71.93(8), Wis. Stats.

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

Agency Collections



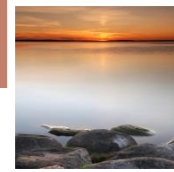
SDC

State Debt Collection Program

The difference between SDC and TRIP is that DOR becomes collector of the SDC debt.

Agency must stop all collections

Agency Collections



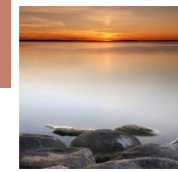
SDC

State Debt Collection Program

DOR uses same authorities as individual income tax collections:

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

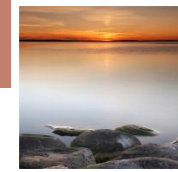
SDC Program



Debts to refer

- Debt balance > \$50
- Debt amount must be final
- Aged at least 90 days
- Debtor has not paid, or entered into payment plan

SDC Program

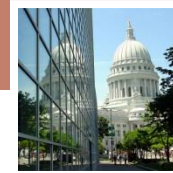
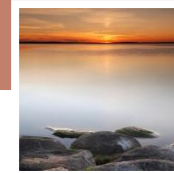


Debts are certified with:

- **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. We can provide information on such services contracted with the WI Department of Administration.

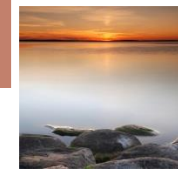
SDC Program



How do I submit the debts to DOR?

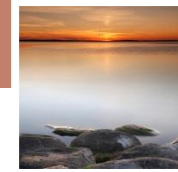
Debts are submitted electronically:

- My Tax Account (MTA): single entries
- File Transfer – secure file transfer protocol server (sFTP): multiple debts in a bulk file. This is how 3rd party software transfers debts to DOR via interface.



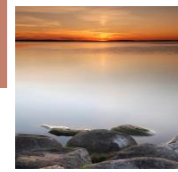
Referral Notice

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



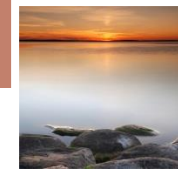
Collection Fee

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



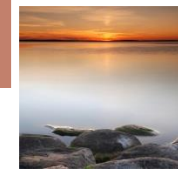
Interest

- 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.



Debt balances and updates to debt

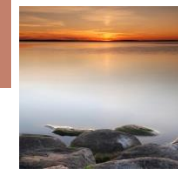
- Adjust debt balance either up or down, only if the amount originally sent was in error, not to process payments
- Collection fee, and interest automatically adjust based on new balance



Debt Recall

- Use if the debt was sent in error
- DOR will write off remaining balance and return debt to the agency.
- Feel free to contact DOR with any questions before recalling a debt.

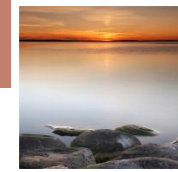
SDC Program



Payments received by agency

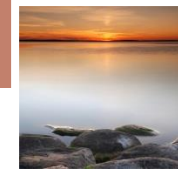
- If you receive a payment by check – send the check to DOR
- If you receive an electronic payment – contact us. We will work out the easiest method to resolve.

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



Reports

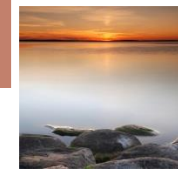
- Agency Summary
 - Complete listing of active debtors
 - Bankruptcy info
 - Current balance
 - Collections to date
 - Collection stage



Reports

- Return File

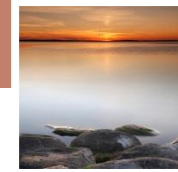
- Listing of debts we are returning to your agency.
- Return reasons include: Satisfied, uncollectible, deceased, minbalance, recalled, mismatchid and businessclosed.



Reports

- Transaction File (Payments)
 - Monthly distribution
 - Amounts collected by debtor report
 - Payments are sent by ACH three business days after payment report

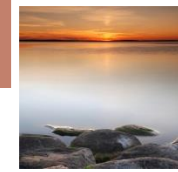
SDC Program



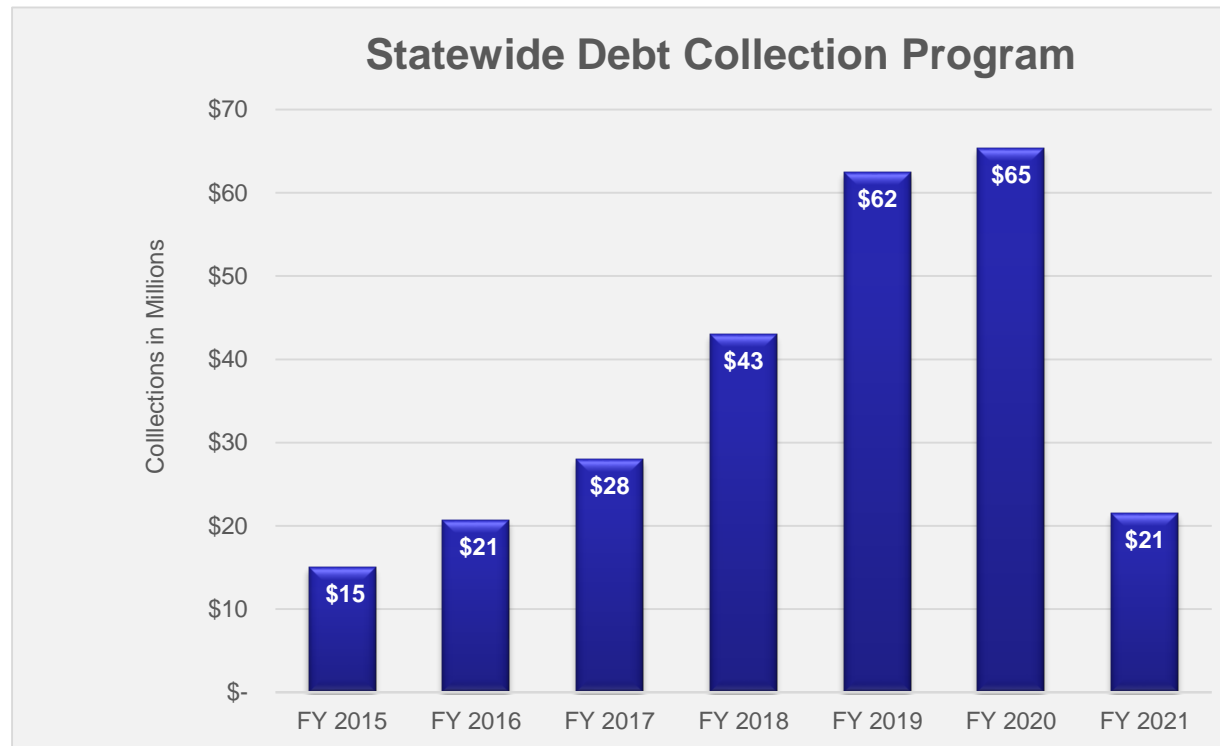
Collection success

- 651 agencies submitting debts (state, court and local government)
 - ❖ 182 Municipal Courts
 - ❖ 279 Local Agencies
- Debt Roll: \$502.3 million
- Collections FY (July 1st - June 30th) as of 1/31/21
 - (FY21): \$18.3 million
 - (FY20): \$65.3 million
 - (FY19): \$62.5 million
 - (FY18): \$43.0 million
 - (FY17): \$28.0 million

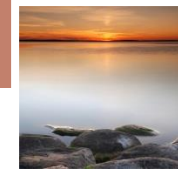
SDC Program



FY (July 1st - June 30th) as of 1/31/21

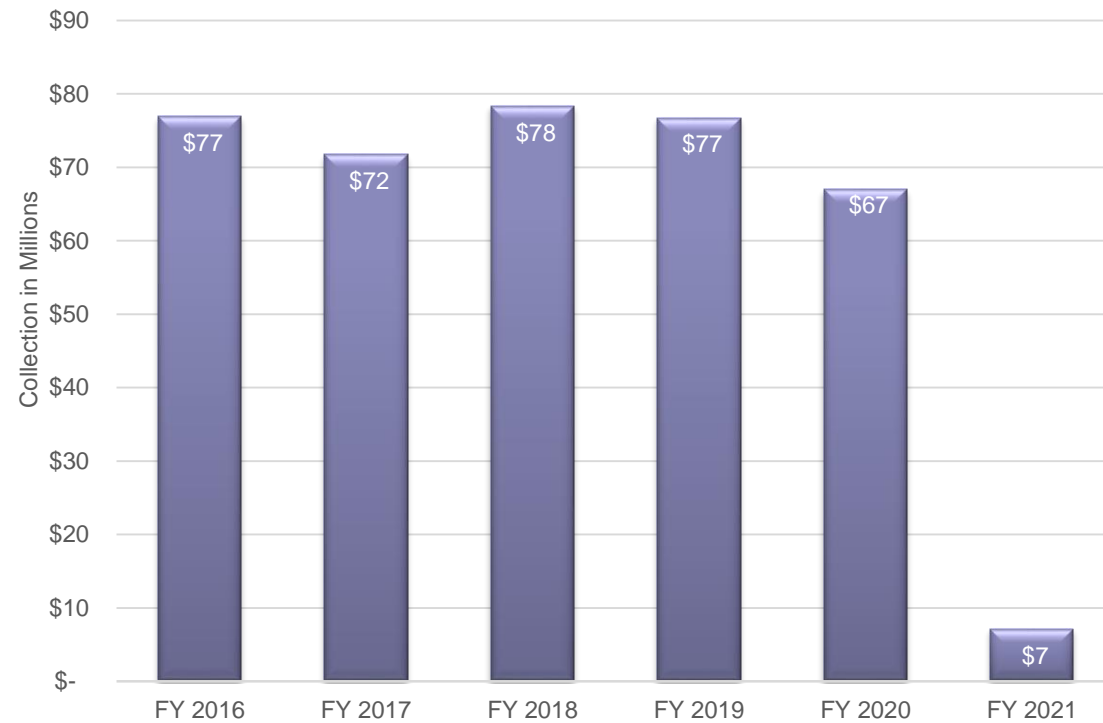


TRIP Program

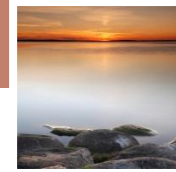


FY (July 1st - June 30th) as of 1/31/21

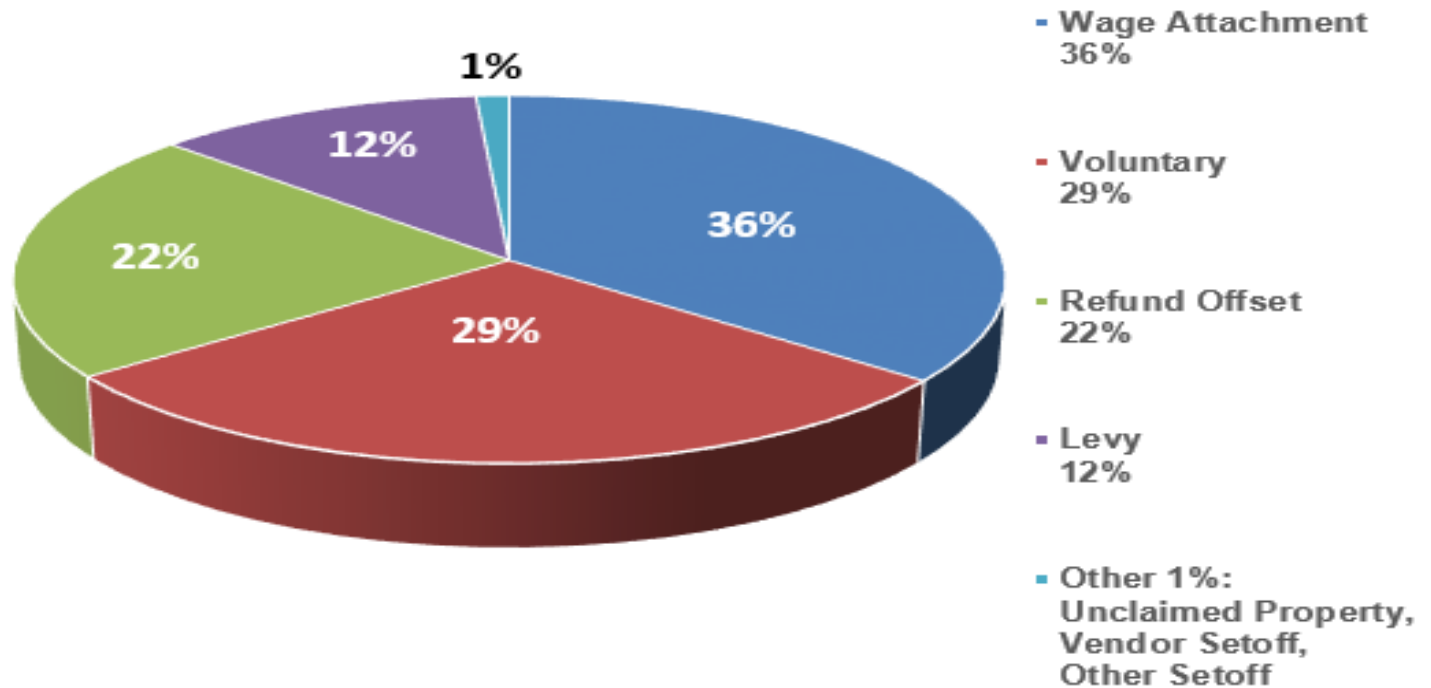
Tax Refund Intercept Program



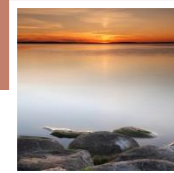
SDC Program



SDC Payments



SDC Program



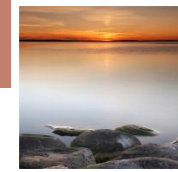
➤ Transitioning from TRIP

- Debts cannot be in both programs. TRIP debts must be changed to \$0.

➤ Communicating with DOR

- 821 SDC Agencies with 635,441 debts submitted
- Agency ID + Debtor Name + Unique debtor ID (AIN)
- Emailing DORAgencyCollections@wisconsin.gov
- Secure messages through My Tax Account

SDC Coordinator



To enroll in SDC program, submit forms:

- Agency agreement
- Contact Form
- Banking information form

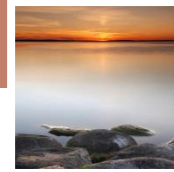
For more information about SDC program, please review:

- SDC User Guide
- My Tax Account - SDC User Guide
- <http://www.revenue.wi.gov/sdc>

For additional assistance, please contact

DORAgencyCollections@wisconsin.gov or 608-264-0344

TRIP Program



TAX REFUND INTERCEPTION PROGRAM (TRIP)

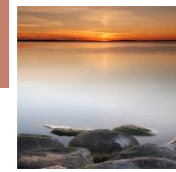
For information about TRIP program, please review:

- [My Tax Account – TRIP Registration and User Guide](#)
- [Operation Manuals and Policy Guides](#)
- <http://www.revenue.wi.gov/ise/trip/index.html>

Contact Information:

- Use *My Tax Account – TRIP Inquiry* to send questions with confidential information
- Use DORAgencyCollections@wisconsin.gov for non-confidential questions
- Call 608-264-0344

Agency Collections



QUESTIONS?