



Planning to Implement UI Employer Tax With TOP in 2016? Here's Everything You Need to Know!



Background on Unemployment Insurance (UI) Employer Tax Referral

The Bipartisan Budget Act of 2013 (P.L. 113-67), which was enacted on December 26, 2013, requires states to collect covered Unemployment Insurance (UI) debt (which includes unpaid UI employer tax debt that remains uncollected as of one year after the debt was determined due) by offset of federal tax refunds under section 6402(f) of the Internal Revenue Code (IRC). The IRC requires states to give debtors 60-

days notice of the intent to offset. Among other things, Treasury's regulations require states to certify to the Bureau of the Fiscal Service (Fiscal Service) that the debts are past due and legally enforceable.

In November 2014, Internal Revenue Service (IRS) counsel determined that IRC 6402(f) authorizes State Workforce Agencies (SWAs) to certify debts associated with the underpayment of UI contributions tax to Fiscal Service as eligible for offset of the debtor's federal tax refund. The term "person" in IRC 6402 includes an individual, trust, estate, partnership, association, company or corporation. All entity types, including sole proprietors, partnerships, corporations, and limited liability companies (LLCs) are eligible for tax refund offset.

The UI Employer Tax Implementation Process for States

To start the implementation process with TOP to collect UI Employer Tax, Fiscal Service recommends that states contact stateoffsets@fiscal.treasury.gov to set up an initial meeting where the UI Employer Tax process and responsibilities will be reviewed in detail and all questions can be addressed. There are three major steps in the implementation process of the UI Employer Tax program. The good news is that – if your state has already implemented the offset of UI Benefits, where TOP offsets federal tax refund payments to payees who owe delinquent UI compensation debts due to fraud or a person's failure to report earnings, and your state will be implementing the same system for UI Tax that was implemented and tested for UI Benefits – implementing UI Employer Tax can be an easier process due to the limited testing.

States should note that if they are currently participating in TOP for UI Benefits, but are developing an entirely **new system** for UI Tax, full scale testing will be required (see Full-Scale and Limited Testing below).

Step 1: The state must have an IRS-approved approved Safeguards Security Report (SSR). If the state already has an approved SSR for the UI Benefits program,

Don't Leave Millions of \$\$\$ on the Table - Join TOP's State Reciprocal Program

TOP Simulations Provide States with Potential SRP Recoveries

If your state does not currently participate in the State Reciprocal Program (SRP) with the Treasury Offset Program (TOP), then this simulation news is important for you!

Effective September 2015, TOP will begin providing simulations for states interested in participating in SRP. These simulations mirror the TOP production environment and compare state debt information (e.g., income tax debt, sales and use tax debt, property tax debt, non-tax debts, etc.) to federal vendor payments information. TOP will also conduct simulated test matches comparing federal payment information to state debt information previously submitted to TOP, including state income tax debts and unemployment insurance benefit debts. The simulation can include any other state debts that the state provides for testing.

Any test data the state wishes to submit for a simulation should consist of live data to get a realistic view of possible offset recoveries. To perform a successful simulated test match, states must provide the debt balance, name, and delinquency date for each debt/debtor submitted. No additional information is required, though states may delineate between the debt type or program.

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the state is not required to make any changes to the SSR in the current calendar year to implement UI Employer Tax. This can save the state an extensive amount of time. Changes for UI Employer Tax need to be part of the state's next SSR submission.

Step 2: The state must send each debtor employer a due process notice letter granting the employer at least 60 days to respond (see **TOP Agency Guide** for a federal agency sample). Please note: This requirement is statutory, so Fiscal Service cannot shorten this timeframe for any reason.

Step 3: The state must submit the debt and debtor information to TOP. There are two file transmission options available for states in TOP's UI program - Batch or Online Client. The state decides which option to use. As with any batch option, there is an upfront workload, but this option works better and is easier for states with large volumes of debt to refer. Manually entering debts via the Online Client does not require an upfront workload, but can be labor intensive when entering debts.

The state must complete Fiscal Service's required **Security Access Form** (see Glossary below) and inter-connection documents and, if choosing the batch process, perform testing with Fiscal Service prior to implementing the program. The Online Client option does not require testing.

If the state would like to participate in UI Employer Tax via batch, the file layouts must be tested with Fiscal Service to ensure both parties can read each other's files. Testing with Fiscal Service normally runs two weeks to one month. As soon as the state knows when it would like to begin testing, it should contact Fiscal Service to secure a date on the calendar.

Lastly, states must also complete an ACH Form, Agency Profile and Debt Certification Agreement (see Glossary below).

TOP's UI Employer Tax Document Glossary for States

- **TOP Agency Guide (TAG)** - The TAG includes a federal agency 60-day Due Process Notice that states can use as an example along with the file layouts. Important Note: States' legal counsel should review and approve the content of the state's Due Process Notice.
- **TOP Enhanced Record Layouts v3.8.1** - This file layout replaces Appendix 10 in the TAG.
- **Security Access Request Form** - Access to TOP Web Client requires a TOP user name and SecurID with a token code and user's pin. To obtain access to the TOP Web Client, a Security Access Request Form must be completed for each user. Each user must also sign the TOP Rules of Behavior.
- **ACH Form** - In order for Fiscal Service to send collections to the state, an Automated Clearing House (ACH) Form must be completed and returned to Fiscal Service's Accounting Division. A state accounting contact must also be provided. Fiscal Service accountants will perform a credit/debit test to ensure there are no issues with the transfer of funds. We recommend performing this test prior to implementation.
- **Agency Profile** - All states are required to provide an Agency Profile, which includes state agency contact information, prior to referral of debts to TOP. The Agency Profile should be reviewed annually and updated as needed. Fiscal Service includes the contact information in the TOP

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DID YOU KNOW?

The U.S. Department of Labor (DoL) awards grant funds to states to improve their unemployment insurance (UI) programs. Also, that these grant funds can be requested for use with the Treasury Offset Program (TOP). As of September 30, 2015, nine states have requested nearly \$2.3 million in grants from DoL for use with TOP - Montana, North Carolina, New Mexico, Oregon, Pennsylvania, South Dakota, Texas, Vermont, and Wisconsin.

DoL's grant was specified in UNEMPLOYMENT INSURANCE PROGRAM LETTER (UIPL) NO. 16-15; Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvements; June 15, 2015; http://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-15_Acc.pdf.

The UIPL notified State Workforce Agencies of the availability of Fiscal Year (FY) 2015 funds for activities that support the prevention and detection of UI improper benefit payments, improve state performance, and address outdated Information Technology (IT) system infrastructures.



TOP Implementation. (pg. 5) in UIPL

- States that have not previously done so may request funds to implement TOP for the recovery of fraudulent and certain non-fraudulent overpayments.
- States that have implemented, or previously received funding to implement TOP for recovering benefit overpayments, may request funds to implement TOP for recovery of unpaid employer taxes (see UIPLs No. 02-09, Changes 1-3).

Nationally, UI Benefit recoveries using TOP have exceeded \$1.3 billion, since it became available to the UI system. These recoveries have provided a significant boon to state UI trust funds.

If your state is interested in learning more about DoL grant funds and if they will be made available in FY 2016, be sure to watch for DoL's UI Policy Letter coming out next spring!

Notice of Offset letter that informs debtors of the offset action. Debtors must be able to contact your state, so the contact information in TOP must be correct and up to date.

- **Debt Certification Agreement** - States must submit a signed certification agreement to TOP prior to referral of debts under this state program. The certification agreement is the last step prior to going live.

Understanding TOP Batch Testing for UI Employer Tax

States can expect to complete the batch implementation process requirements listed below in the following order with Fiscal Service:

1. Provide the TOP Test Team with your state's technical points of contact, identifying which are state employees and which are contractor personnel, and including their email addresses and phone numbers.
2. Closely review all technical specifications, including the TOP Enhanced Record Layouts (v3.8.1), requirements, supplemental data provided, and the standard Fiscal Service sample test scenarios used to implement the TOP program. **It is imperative that states perform this step fully at the beginning of the batch implementation process in order to avoid any delays with their target implementation date.**
3. Forward all technical questions to the TOP Test Team, preferably during the state's Elaboration/Analysis & Design Phase of the application development cycle, allowing enough time for TOP to provide any clarification about system requirements. Notify Fiscal Service if your state wishes to include additional test scenarios, or will require any particular action or scenario tested again, in addition to the standard test cases.
4. Provide your state's target implementation "go-live" date to the TOP Test Team. This is important as TOP will schedule batch implementation testing with your state based on the "go-live" date provided. Fiscal Service requires four weeks of testing for UI on both the Benefit and Employer Tax programs (see Limited Testing below). The state should request testing with Fiscal Service only after it has completed its programming and has undergone its own internal system testing.
5. Complete and return your state's updated Creditor Agency Profile Input Form(s) to the TOP Test Team. Remember to indicate your state's decision regarding TOP fees. Unless prohibited by state law, your state may choose to add the TOP fee to the debt. Alternatively, your state may decide to absorb the TOP fee.
6. Conduct scheduled batch implementation testing of the standard Fiscal Service test scenarios with TOP. TOP will provide a copy of the finalized scenarios prior to testing. Files containing real, personally identifiable information (PII) cannot be used. Test files contain mock data and are exchanged via email for expediency. States are discouraged from using their own mock data or set of numbers as this tends to slow the review process considerably. All test files submitted by the state must be system-generated.



7. Contact Fiscal Service's Information and Security Services (ISS) On-boarding Team for assistance establishing production connectivity using Secure File Transfer Protocol (SFTP) or Connect:Direct. ISS will provide the state with the forms needed to establish and configure a connection to the TOP production environment.

8. After functionality testing, TOP will schedule file transfer testing (application testing) with the state to ensure the TOP standard filenames used can be written back and forth.

9. States should work with Fiscal Service's Accounting Division to test the ACH process prior to the "go-live" date.

Additional TOP Testing Information

TOP Enhanced Record Layouts

States should ensure that they have the latest version of the TOP Enhanced Record Layouts (v3.8.1) before beginning Analysis & Design Phase of the system development cycle.

UI Employer Tax File Format Updates

States are encouraged to use the same Agency ID for UI Employer Tax as used for UI Benefit. Fiscal Service may require set up and security access provisioning for any new Agency ID being issued.

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TOP Speaking Engagement

2015 National Association of State Work Force Agencies (NASWA) UI Directors' Conference and IT/Legal Issues Forum

October 19-22, 2015

Understanding How to Maximize Your State's UI Recoveries with TOP

Reta Bangan, Director of the Treasury Offset Program, Bureau of the Fiscal Service, will present on a Unemployment Insurance (UI) panel along with John Sims, Disclosure Enforcement Specialist, Privacy, Governmental Liaison & Disclosure (PGLD), Internal Revenue Service, and Larry Ingram, Bureau Chief, Idaho Department of Labor at the NASWA UI Director's Conference in Albuquerque, NM.



For additional information regarding attending this annual UI Director's conference, please visit www.naswa.org/meetings.



TOP Tips to Increase Your State's Delinquent Debt Collections

The Treasury Offset Program (TOP) continues to look at ways to assist states with increasing their delinquent debt collections. Below are three key "TOP Tips" that TOP has developed for states to follow to increase recoveries.

TIP 1: GENERATE PARTIAL MATCH (AKA DEBTOR LOCATOR) REPORTS VIA THE TOP WEB CLIENT ON A REGULAR BASIS

The Partial Match report helps agencies improve its debtor data to increase offset potential. A Partial Match is defined as when a payee's Taxpayer Identification Number (TIN) matched a debtor's TIN, but the payee's last name or business name did not match the debtor's last name or business name. States should research the partial match information provided on the report to determine if a debtor uses other names, also known as "aliases." If the state determines that the payee name on the Partial Match report is a valid alias name for the debtor associated with the TIN specified on the report, the state should add a "Debtor Alias" for the debtor. This may be accomplished through batch record submission (A4) or by using the Manage Debtor screen in the TOP Web Client. The Debtor Alias, in addition to the Debtor Last Name, will then be used for purposes of debt/payment matching activities.

TIP 2: USE THE TOP WEB CLIENT TO RETRIEVE STATISTICS ON ALL DEBT UPDATE BATCH FILE UNPROCESSABLE RECORDS

The Batch Process Tracking screen can be used in conjunction with the Unprocessable Batch file sent by TOP to determine why each record was rejected. Agencies should review and correct the rejected records, then re-submit them on a subsequent batch file. Alternatively, the updates can be accomplished via the TOP Web Client.

TIP 3: REVIEW YOUR AGENCY'S PROFILE IN THE TOP WEB CLIENT

Agencies need to review their Agency Profile in the TOP Web Client to ensure that 1) the correct payment source bypasses are in place, 2) contact information is up to date, and, 3) that all other configurations are set up correctly in TOP. Up-to-date contact information is vitally important, as the information is provided on the TOP Notice of Offset, which instructs debtors to contact the Creditor Agency directly if they have questions or would like to make a voluntary payment.

Join the State Reciprocal Program, Continued from Page 1

Once the debts have been loaded into the TOP simulation environment, TOP will run a debt match process simulating a normal transaction month in TOP. State debts will retain their normal priority and all bypass indicators will be removed from state debts, allowing for offsets against any type of payment. Results will then be provided to the state representatives, reflecting what would have been recovered the previous month if the state had been participating in the SRP.

Don't leave millions of dollars of your state's revenue uncollected! Fiscal Service can run simulations monthly and send your state the file layout for submitting debts to match against federal vendor payments.

For additional information regarding the simulated test match procedures, or to arrange for a debt file to be submitted to TOP for simulation, please contact Becky Park, TOP State Program Manager at 202-874-9451, or send an email to stateoffsets@fiscal.treasury.gov.



Requesting a Debt Extract File from TOP at the Year End

States may request a "Debt Extract File," which contains pertinent debt/debtor information the state has referred to the Treasury Offset Program (TOP), for the purpose of reconciling and ensuring that the debt/debtor information in TOP is in synch with the state's debt/debtor information.

A Debt Extract File may be requested from TOP at any time. However, some states routinely request a debt extract file from TOP several times a year, as well as annually at the year end.

For instructions on requesting a Debt Extract File from TOP, states should refer to Technical Bulletin YE S2015-09. TOP provides Debt Extract Files to states usually within the same business day. Have questions about Debt Extract Files? Contact the TOP Operations staff at DMSE.Ops@fiscal.treasury.gov.

State Reciprocal Program Collections

(10/01/2014 - 08/15/2015)

| STATE NAME | OFFSET COUNT | NET COLLECTION AMOUNT |
|----------------------|--------------|-----------------------|
| District of Columbia | 3,749 | \$4,410,201 |
| Kansas | 343 | \$452,323 |
| Kentucky | 4,389 | \$10,441,007 |
| Louisiana | 1,235 | \$1,533,720 |
| Maryland | 4,089 | \$5,418,325 |
| Minnesota | 1,070 | \$2,814,729 |
| New Jersey | 3,086 | \$8,553,415 |
| New York | 4,824 | \$6,117,416 |
| Virginia | 1,035 | \$1,766,172 |
| West Virginia | 922 | \$682,828 |
| Wisconsin | 739 | \$1,323,812 |
| Total | 25,481 | \$43,513,947 |

The State Reciprocal Program (SRP) allows states to enter into a reciprocal agreement with the U.S. Department of the Treasury to refer delinquent debts owed to state agencies to TOP for the offset of federal vendor and other non-tax payments. In return, states offset payments to payees who owe delinquent debts to federal agencies.

In FY 2015, 10 states and the District of Columbia participate in SRP. Kentucky has recovered the most funds at \$10.4 million, with New Jersey second at \$8.5 million, and New York third at \$6.1 million as of August 15, 2015.

For further information about TOP's SRP program, email stateoffsets@fiscal.treasury.gov.

Ask TOP

At the Treasury Offset Program (TOP) we regularly receive and answer questions from TOP state participants. As a result of this, we have developed a new "Ask TOP" column. It's a way for us to share your question with other states in the hope of assisting them as well. Below are our first five "Ask TOP" questions and answers for you.

Can you explain the state residency requirement? If our state certifies a state income tax debt with an address within our state and the taxpayer moves to another state will the offset still occur?

The state residency requirement applies only to the TOP State Income Tax program. Federal law authorizes the offset of federal tax refunds only for those state income tax debts owed to the state in which the debtor resides. If a state certifies a state income tax debt owed by a resident of its state, but the taxpayer then moves to another state, TOP is precluded from offsetting the debtor's federal tax refund payments to collect the state income tax debt. Unemployment Insurance Compensation (UIC) debts, child support debts, and State Reciprocal Program debts submitted to TOP do not have the same requirement. If, for example, a resident from State 1 moves to State 2 and files his federal tax return in State 2, TOP will not offset any federal tax refund for an income tax debt owed to State 1, but may offset it for other eligible state debts. In the case where states participate in TOP's State Reciprocal Program, state income tax debts within TOP may be offset by federal vendor and other non-tax payments. In this case, the offset can occur regardless of state residency.

Some of our state TOP team members have moved on and others are now joining us. What is the process for removing or adding access for new staff members to the TOP Web Client?

New staff members that require access to the TOP Web Client, as well as those revoking their access to TOP, will need to complete a TOP Security Access Request Form. This form can be obtained by emailing TOP at stateoffsets@fiscal.treasury.gov. The TOP Security Access Request Form should be completed and forwarded to the Fiscal Service Debt Management Operations Center-West at the address and fax number listed at the bottom of the form. Fiscal Service usually takes two weeks to process the request. States should ensure that staff revoking their TOP access, return their SecureID token to Fiscal Service. Note: All issues related to SecureID tokens and Personal Identification Numbers (PINs) issued should be addressed with the Fiscal Service Help Desk at (304) 480-7777.

Is it a legal requirement that states mail Notice of Offset letters to the debtor? Can they be sent electronically?

To collect state debts by offset of federal nontax payments, the regulations require Due Process notices to be in writing and sent to the debtor's last known address at least 60 days prior to submitting



a debt for offset. At this time, that means by U.S. mail or other delivery mechanism to a physical address.

To collect from offset of Federal tax refund payments, states must send Due Process notices by certified mail, return receipt. If a state wants to pursue an electronic method of sending a Notice of Offset (i.e., notice to the payee that the state offset a payment), the state would have to consult its legal counsel to determine if such notice is sufficient under its own state laws and regulations.

Help! I mistakenly entered the wrong amount on a refund today in the TOP Web Client. How do I correct this?

To correct a wrong amount entered on a refund in the TOP Web Client, you should enter a refund reversal for the same amount and then put in the correct agency refund amount. For questions about a particular situation, please contact TOP at stateoffsets@fiscal.treasury.gov.

Does TOP have a Contact Directory for requests and suggestions from states?

At TOP we have created specific email addresses to ensure that states can connect with the appropriate teams for assistance quickly. See our TOP contact info below.

As always, if you have a question you'd like to ask us at TOP, please send it directly to stateoffsets@fiscal.treasury.gov. We welcome your questions and may even share them with other states in our next issue of Offsets Matter!

TOP CONTACT INFO

For State Agency General

Concerns/Requests:

TOP State Liaisons -

stateoffsets@fiscal.treasury.gov

For Production and Operational

Concerns/Requests:

TOP Operations Team

DMSE.Ops@fiscal.treasury.gov

State Income Tax Program Collections

The State Income Tax (SIT) program allows states to refer delinquent state income tax debts to TOP for the offset of federal tax refund payments only.

In FY 2015, New York has recovered the most funds at \$81.4 million, with Maryland second at \$59.5 million, and California third at \$57.8 million as of August 15, 2015.

For further information about TOP's SIT program, email stateoffsets@fiscal.treasury.gov.

Implementing UI Employer Tax in 2016, Continued from Page 3

Connectivity and additional file transfer testing is also required. Unless the state has a compelling need for a new Agency ID for UI Employer Tax, the same Agency ID used for UI Benefit will be used for UI Employer Tax.

Standard Test Scenarios

Fiscal Service uses standard test scenarios. TOP will provide a copy of the finalized test scenarios prior to the scheduled test date.

Full-Scale and Limited Testing

States developing an entirely new system for UI Employer Tax must undergo full-scale testing prior to implementation. Limited testing is allowed only for states currently participating in the UI Benefit program where the state is implementing the same system for UI Employer Tax that was previously tested and implemented under UI Benefit.

Key Functionality

Combining Debt Types

- **Update File** - States have the option of submitting UI Employer Tax and UI Benefit records together in a single file or in separate files.
- **The Collection File** – Offsets for both UI Benefit and UI Employer Tax are combined in a single Weekly Collection File under the same Agency ID and are distinguished by the Agency Site ID designators, "01" & "TX" for benefit and tax, respectively.

Separating and Protecting Tax Information

States are required to test and implement a process to separate and store information it receives on UI Employer Tax debt apart from information related to UI Benefit, as defined in the approved SSR issued to the state by the IRS.

Joint and Several Debt (J&S)

Joint and Several Debt (J&S) is the TOP term used to describe when multiple parties are each liable for 100% of the same debt. For example, if two parties jointly and severally owe \$1,000, each party would be responsible for the entire \$1,000, or any portion of the outstanding balance, until the entire \$1,000 is paid in full. Payment of the entire \$1,000 by one party would release the other party from liability. Fiscal Service requires testing of J&S functionality for UI Employer Tax debts submitted by your state where two or more debtors are equally liable for a single debt.

Six states joined TOP's UI Employer Tax program in 2015, with more states scheduled to participate by the end of the calendar year. Contact TOP today at stateoffsets@fiscal.treasury.gov to begin the conversation with Treasury about your state implementing TOP's UI Employer Tax in 2016.



State Income Tax Program Collections

(10/01/2014 - 08/15/2015)

| STATE NAME | OFFSET COUNT | NET COLLECTION AMOUNT |
|----------------------|----------------|-----------------------|
| Alabama | 88,200 | \$29,409,259 |
| Arkansas | 6,771 | \$6,215,072 |
| Arizona | 16,472 | \$6,143,571 |
| California * | 51,094 | \$57,797,067 |
| Colorado | 14,022 | \$9,418,474 |
| Connecticut | 8,773 | \$6,415,698 |
| District of Columbia | 6,232 | \$5,467,852 |
| Delaware | 3,690 | \$2,074,421 |
| Georgia | 58,628 | \$29,980,245 |
| Hawaii | 597 | \$708,429 |
| Iowa | 6,433 | \$4,112,075 |
| Idaho | 2,068 | \$1,589,215 |
| Illinois | 52,082 | \$24,722,842 |
| Indiana | 26,216 | \$11,110,386 |
| Kansas | 11,526 | \$5,654,849 |
| Kentucky | 12,899 | \$9,596,007 |
| Louisiana | 49,538 | \$27,648,502 |
| Massachusetts | 15,003 | \$8,652,179 |
| Maryland | 62,647 | \$59,529,564 |
| Maine | 3,301 | \$2,655,909 |
| Minnesota | 9,056 | \$6,965,444 |
| Missouri | 41,265 | \$21,304,521 |
| Mississippi | 20,179 | \$8,041,973 |
| Montana | 1,556 | \$1,156,335 |
| North Carolina | 14,540 | \$9,246,839 |
| North Dakota | 733 | \$301,148 |
| Nebraska | 2,124 | \$1,058,984 |
| New Jersey | 34,359 | \$22,387,126 |
| New Mexico | 4,526 | \$3,509,924 |
| New York | 107,754 | \$81,432,856 |
| Ohio | 22,551 | \$19,014,371 |
| Oklahoma | 25,657 | \$17,614,181 |
| Oregon | 14,720 | \$9,626,988 |
| Pennsylvania | 22,468 | \$10,695,292 |
| Rhode Island | 2,854 | \$1,793,573 |
| South Carolina | 4,897 | \$4,411,212 |
| Utah | 8,446 | \$4,948,320 |
| Virginia | 14,519 | \$10,226,937 |
| Vermont | 1,356 | \$874,596 |
| Wisconsin | 8,583 | \$9,734,403 |
| West Virginia | 11,560 | \$8,865,629 |
| Total | 869,895 | \$562,112,267 |

* State agency collections combined separate agency IDs.

Unemployment Insurance Program Collections

(10/01/2014 - 08/15/2015)



| STATE NAME | OFFSET COUNT | NET COLLECTION AMOUNT |
|----------------------|----------------|-----------------------|
| Alabama | 13,737 | \$6,821,973 |
| Arizona | 14,645 | \$8,015,124 |
| Arkansas | 17,186 | \$10,205,481 |
| California * | 137,843 | \$196,602,208 |
| Colorado | 2,094 | \$2,121,734 |
| Connecticut | 2,714 | \$2,198,530 |
| Delaware | 3,433 | \$2,726,213 |
| District of Columbia | 1074 | \$1,538,401 |
| Florida | 14,838 | \$14,829,431 |
| Georgia | 8,742 | \$9,940,089 |
| Hawaii | 650 | \$455,671 |
| Idaho | 2,178 | \$2,622,517 |
| Illinois | 15,278 | \$23,995,304 |
| Indiana | 622 | \$1,069,260 |
| Iowa | 137 | \$262,797 |
| Kentucky | 5,804 | \$5,017,982 |
| Louisiana | 7,015 | \$9,703,810 |
| Maine | 4,334 | \$4,397,549 |
| Maryland | 11,979 | \$13,402,391 |
| Michigan | 13,890 | \$32,310,492 |
| Minnesota | 5,046 | \$8,251,539 |
| Mississippi | 11,780 | \$5,946,166 |
| Missouri | 8,593 | \$10,066,139 |
| Nebraska | 3,797 | \$2,413,457 |
| Nevada | 1,812 | \$3,328,925 |
| New Hampshire | 1,289 | \$1,009,823 |
| New Jersey | 20,128 | \$31,913,737 |
| New Mexico | 3,162 | \$3,476,595 |
| New York | 29,748 | \$30,171,495 |
| North Carolina | 17,453 | \$13,240,830 |
| North Dakota | 732 | \$943,087 |
| Ohio | 11,678 | \$14,244,805 |
| Oregon | 4,259 | \$5,375,757 |
| Pennsylvania * | 17,326 | \$21,724,897 |
| Rhode Island | 3,308 | \$2,338,144 |
| South Carolina | 12,829 | \$9,375,764 |
| South Dakota | 446 | \$288,048 |
| Tennessee | 12,908 | \$10,313,281 |
| Utah | 3,435 | \$3,426,085 |
| Vermont | 679 | \$425,941 |
| Washington | 7,234 | \$6,650,735 |
| West Virginia | 2,579 | \$1,912,118 |
| Wisconsin | 10,963 | \$10,049,008 |
| Total | 469,377 | \$545,123,330 |

* State agency collections combined separate agency IDs.

Unemployment Insurance Program Collections

The Unemployment Insurance (UI) program allows states to refer delinquent debts to the Treasury Offset Program (TOP) for the offset of federal tax refund payments to collect UI benefit debts due to fraud or a person's failure to report earnings, and also UI Employer tax debts.

In FY 2015, 43 states and the District of Columbia participate in TOP's UI Benefit and six states in UI Employer Tax. California has recovered the most funds at \$196.6 million, with Michigan second at \$32.3 million, and New Jersey third at \$31.9 million as of August 15, 2015.

For further information about TOP's UI program, email stateoffsets@fiscal.treasury.gov.



TOP Technical Bulletin Year End Information for States

Each fall, TOP releases several Technical Bulletins containing important year end information for states. Below is the list of Technical Bulletins states should watch for, paying close attention to deadline dates within.

Technical Bulletin S2015-08 • Issued August 20, 2015

This Technical Bulletin provided the TOP FY 2016 Fee Schedule. It also noted that the FY 2016 fees were unchanged from FY 2015.

| | |
|-----------------------------|---------|
| Tax Refund Offset-State Tax | \$22.00 |
| Tax Refund Offset-UIC | \$17.00 |
| TDO Vendor | \$15.00 |
| NTDO Vendor | \$15.00 |

Technical Bulletin S2015-09 • To Be Issued in October 2015

This Technical Bulletin will provide states with TOP's important year end information on Debt Validation, the Annual Debt Certification Agreement, TOP Agency Codes, and the FY 2016 Cycle Chart.

Technical Bulletin S2015-10 • To Be Issued in October 2015

This Technical Bulletin will provide states with a year end reminder to update their Agency Profile information in TOP.

Note: If you are not presently receiving TOP Technical Bulletins, please be sure to send us an email to stateoffsets@fiscal.treasury.gov to be included.

U.S. Department of the Treasury Bureau of the Fiscal Service

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