



BUREAU OF THE  
**Fiscal Service**  
U.S. DEPARTMENT OF THE TREASURY

# **Treasury Offset Program**

## **FSAC Payment Forum**

Presented by: Treasury Offset Division-Debt Management Services

# What is the Treasury Offset Program (TOP)?

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- **TOP** is a centralized offset process that intercepts federal and state payments of payees who owe delinquent debts to federal and state agencies that have submitted their debt information to Fiscal Service.
- **Offset** is withholding funds payable by a federal or state agency to a person to satisfy a debt owed to the United States or to a state agency.

# Debt Referral to TOP

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- Federal and state agencies submit eligible debts to TOP and certify that those debts are valid, delinquent, and legally enforceable, and that all due process prerequisites have been met.
- Due process prerequisites include:
  - 60-day prior notice to debtor, and
  - Opportunity to dispute the debt

# How Does TOP Work?

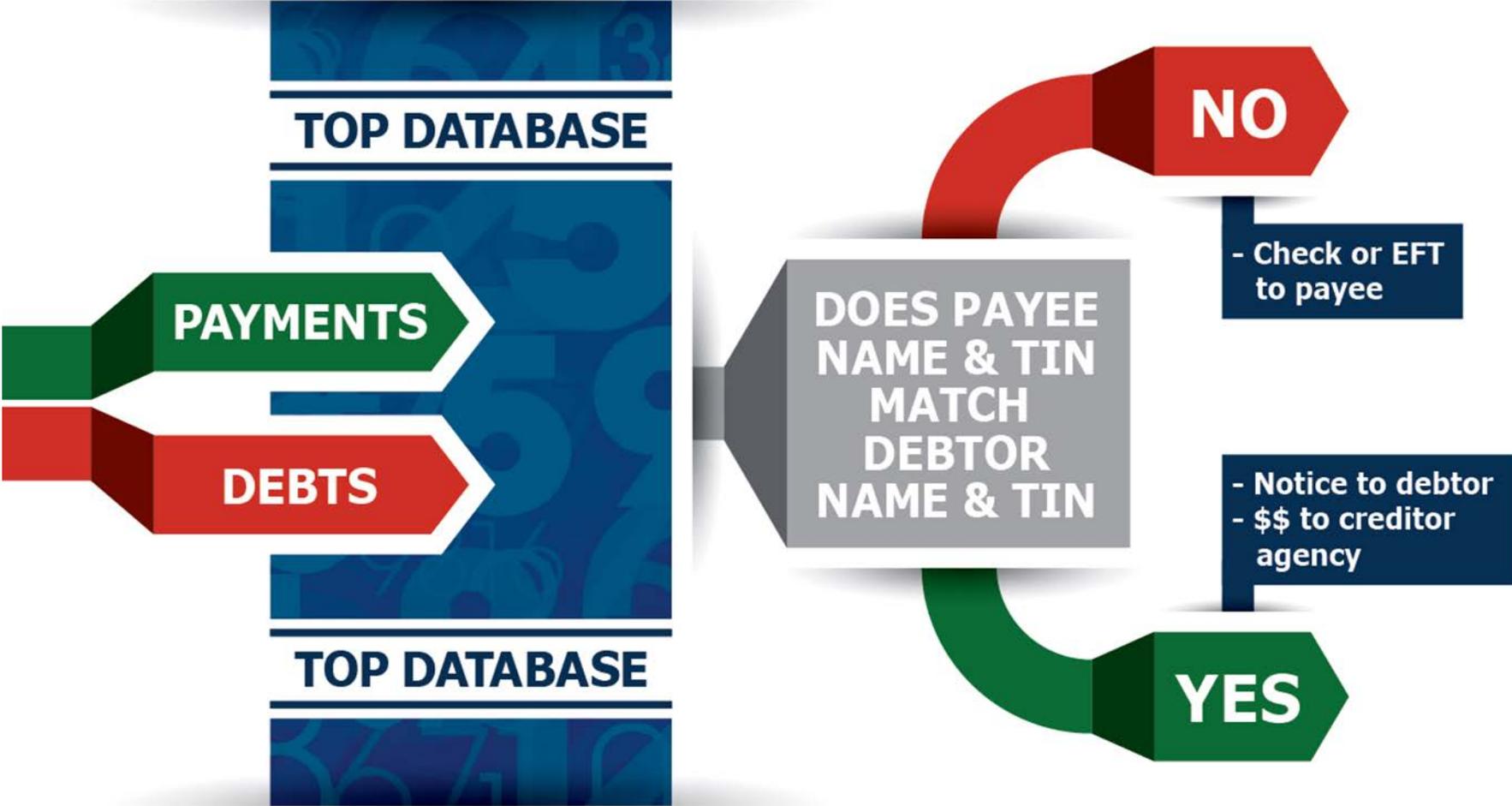
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- TOP compares payee names and Taxpayer Identification Numbers\* (TINs) on payment certification vouchers to names and TINs of debtors in TOP's debtor database.
- When a match occurs on both, TOP intercepts, or "offsets," all or part of a payee's eligible federal or state payment.
- Fiscal Service notifies both the payee and the payment agency about the offset.

## WHAT IS A TIN?

A TIN is an individual's Social Security Number or a business' Federal Employer ID Number

# The TOP Process



# Priority of Debts

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When more than one debt is submitted for the same debtor, TOP applies funds collected in accordance with priorities set by statute and policy. TOP applies funds in the following order:

1. Federal Income Tax Debts
2. Child Support Debts (Temporary Assistance for Needy Families (TANF) and Non-TANF)
3. Federal Non-Tax Debts (For example: SSA Debts)
4. State Debts

When multiple debts submitted for the same debtor have the same priority, TOP applies funds collected to the oldest debt.

# Types of Payments Matched in TOP

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TOP matches against a variety of Federal and state payments:

- Federal tax refund payments
- Federal employee salary payments
- Social security benefit payments
- Railroad Retirement Board payments
- Federal employee OPM retirement annuity payments
- Vendor payments
- State vendor payments
- State income tax payments

# Payment Agency Profile Input Form

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- Each payment agency is responsible for filling out a Payment Agency Profile Input form for inclusion into the Treasury Offset Program system.
- The profile contains instructions that are maintained in TOP to manage payment agency processing in TOP.
- We ask that when new ALCs are used for payments or changed, that a revised Payment Agency Profile Input form be submitted to TOP.
- Contact your Kansas City Center payment representative or Sara Garris of the Treasury Offset Division at 202-874-6524, if you have any questions.

# TOP Web Client Security Access Form

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- Payment agency users can request access to the TOP Web Client by filling out a Security Access Request Form.
- The TOP Web Client provides payment agency users the capability to run the Payment Agency Report.
- The Payment Agency Report provides information on the payments that have been offset and Creditor Agency and debt the funds were applied to.

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# Questions?