

Notify the Debtor of a Set-off Claim Match

Process

[SET-OFF PROCESSING](#)

Effective Date

08/16/2005

Purpose

Once a match has been offered to your Agency, you must notify the debtor in writing that available funds have been matched to their debt and that the debtor has the right to contest the claim. This notification letter must be sent to the debtor within 10 calendar days of the Match Date. The debtor has the right to contest the debt/claim within 30 calendar days of the notification. With exception cases if the dispute must go to hearing, please refer to the Section 58.1-526 of the *Code of Virginia*. The following Special Notes and Procedure will assist you in notifying the debtor concerning a set-off match.

Special Notes

- TAX notifies Set-off Agencies, via e-mail, when a file is being sent and upon receipt of the e-mail you should check the EESMC. However, you should check the EESMC daily for various files in the event the person receiving the e-mail is not available and the e-mail is not opened on the day sent from TAX.
- Available Funds are processed nightly, and the next day TAX provides each Set-off Agency via EESMC with their matches.
- The notification to the debtor must:
 - Inform the debtor of the match including the type of resource (i.e. Individual Refund, Lottery winnings, Vendor Payments if applicable), amount and any other information concerning the resource.
 - Include a statement directing the debtor not to contact TAX as TAX has no knowledge of or information concerning the debt. TAX only releases the funds to the debtor after resolution between the debtor and the Set-off Agency and the Agency has notified TAX.

Procedure

Responsibility

Set-off Agency Representative

Steps

1. Access the Match file via EESMC indicating the set-off matches.
2. Send the notification letter to each debtor within 10 days of the Match Date.
NOTE: The notification must be in the form or a letter or a secure e-mail (do not send confidential tax information via unsecured e-mail).
3. If the debtor responds within the 30 days, determine the action requested by the debtor.

- A. If the debtor responds agreeing to the offset prior to the 30-day waiting period, finalize the claim.
Please refer to TASK: [Finalize a Set-off Match](#)
- B. If the debtor responds contesting the offset, contest the claim.
Please refer to TASK: [Contest a Set-off Match](#)
- 4. If the debtor does not respond, no action is required as the process to finalize will begin in 30 days.

Reference

Please refer to TASK: [Certify a Set-off Match](#)

Published Date

12/10/2015