

September 29, 2016

Dear Child Support Colleagues:

Reference: **October 1, 2016 Tax Certification (Tax Year 2016/Tax Processing Year 2017)**

After nightly processing on Friday night, September 30, 2016, cases in ACTS that meet the certification requirements will be certified for tax intercept. This includes cases that meet the minimum certification requirements for Federal TANF (\$150), Non-TANF (\$500) arrears and the requirement for the state debt balance (\$50).

Before the annual certification process begins, ACTS identifies those cases that can be excluded from the federal and state tax intercept certification due to the Davis Decision. If the case meets either the federal or state criteria for exclusion under Davis, it is not certified. Refer to: *Chapter P, Topic 22, Section C* for additional information.

"Notices of Intent" (the pre-offset notices - DSS-4495) dated October 1, 2016 will be printed and mailed to the NCPs whose accounts are certified. The Notice advises NCPs to contact the order county if they have any questions regarding the balances and/or to request a Petition should they desire to appeal the notice. A sample of the "Notice of Intent" for October 1, 2016 is attached. One change to the Notice this year, found in the second bullet of the Notice, is the inclusion of Consumer Reporting. A second change is the updated DHHS attorney, Lisa Corbett.

Requesting a Tax Appeal

- If the NCP contacts the DHHS Customer Service Center (CSC) about the certification, CSC representatives will handle calls.
- If the NCP requests a tax hearing, the CSC representative will send a worklist to the responsible case manager to let them know that the NCP wants to appeal the tax intercept.
 - The CSC representatives do not start the appeals process nor print the appeals petition.
- It is the case manager's responsibility to provide information and the "Petition To Appeal Tax Intercept/Contested Case Hearing" (DSS-4659) document (09.16.01), if needed, to the NCP.
- It is the NCP's responsibility to complete the Petition and submit it to the appropriate entities. All necessary information regarding the appeals procedures, along with the filing dates can be found in the "Notice of Intent".

Undeliverable Mail

- If the "Notice of Intent" is returned to your office as undeliverable and you have a more recent address, resend the notice to the NCP, and enter the address to which the notice was resent in the notes on the "XPON" event.
- If you do not have a more recent address, note on the "XPON" event that the "notice was returned, no current address available".
- Do not delete the NCP from certification if the notice is returned. It is the NCP's responsibility to provide a current address.



Social Services

HEALTH AND HUMAN SERVICES

Richard O. Brajer
Secretary

Wayne E. Black
Senior Director for Social Services
and County Operations

Once the tax certification process is complete, tax records are frozen and will not be updated again until January 6, 2017. During the freeze period, we will electronically forward any approved passport releases, along with any deletes, and arrears modifications which occurred during the freeze period.

Updates relating to State Tax Intercepts will not be frozen. We will continue to submit active cases and arrears updates for the 2016 tax year. On January 6, 2017, updated certification information for the 2016 tax year will be sent to the N.C. Department of Revenue (DOR). It will contain the most recent arrears balances. It will not include those records which have been deleted manually or by ACTS for the 2016 tax year. DOR receives a weekly replacement file of active cases.

If you have questions, please contact the ACTS Help Desk at 1.800.992.9457 or your Regional Program Representative.

Sincerely,

James E McQueen
Assistant Chief
Child Support Services

Cc: IV-D Program Representatives

CSS 12-2016



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