

TOP

Treasury Offset Program

Frequently Asked Questions:

- 1. What is TOP? Treasury Offset Program,** allows DWS to receive and apply a portion or all of a claimant's federal income tax refund to repay applicable overpayments of unemployment benefits.
- 2. Does DWS provide prior notification to claimants of the offset of federal income tax refund?** Yes, DWS sends affected claimants a Notice of Intent to Offset letter more than 60 days before submitting any new overpayment debt to TOP.
- 3. When will DWS send new overpayment debts to TOP?** After December 5, 2014.
- 4. What overpayments are sent to TOP?** All fraud overpayments and all non-fraud earnings overpayments (cause code 10 or 11) that are past due and legally enforceable.
- 5. Does TOP charge a fee?** Yes, the federal government deducts a \$17.00 fee from each offset it sends DWS.
- 6. Can a claimant pay off the overpayment debt and avoid DWS intercepting the federal income tax refund?** Yes, a claimant should pay off an overpayment debt before December 5, 2014 or if after that date at least 4 weeks before filing the federal income tax return.
- 7. If a person is making monthly payments, how can that overpayment be past due?** Overpayments are due when established. While DWS allows a person to make monthly payments over a period of time to avoid garnishment or civil action, the total amount of the overpayment is due when established. Any amount owing 35 days or more after the established date of the overpayment is past due and subject to offset through TOP.
- 8. What does legally enforceable mean?** Not under appeal, in bankruptcy or beyond the statute of limitations.
- 9. Can a claimant get a copy of his records?** Yes by writing: Department of Workforce Services, Benefit Payment Control, PO Box 8060, Little Rock, AR 72203.
- 10. If a person does not think his overpayment is past due or legally enforceable, what can that person do?** Ask DWS to review the determination that the specific overpayment is past due and legally enforceable by sending a written request to: Department of Workforce Services, Benefit Payment Control, PO Box 8060, Little Rock, AR 72203. This must be done by December 5, 2014.
- 11. What if DWS takes more income tax refund than is needed to pay off an overpayment debt?** DWS periodically updates the status of all debts, including changes in balances and legal statuses, to TOP. In the event DWS does receive more than is necessary to pay off an overpayment debt, DWS will promptly refund that amount once it is received.

- 12. Will DWS take both state and federal income tax refunds?** Yes if the overpayment debt qualifies for both.
- 13. Which does DWS take first?** Whichever one is received by DWS first is applied to the account first.
- 14. What happens if DWS takes both but that is more than is owed?** DWS updates the balance of all debts to TOP and DF&A. However due to the timing of filing and processing of tax returns, DWS may not be able to update the balance of any particular account in time to prevent TOP or DF&A from sending too much of someone's refunds. In the event DWS does receive more than is necessary to pay off an overpayment debt, DWS will promptly refund the excess amount DWS receives.
- 15. If a person files a joint federal tax return; how can a spouse get his/her portion of the tax refund?** Obtain Form 8379, Injured Spouse Claim and Allocation, before filing the tax return. The instructions will explain the steps the spouse may take to obtain his or her share of the joint income tax refund.
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