

For: State and County Offices

IRS Paper Levies

Approved by: Associate Administrator for Operations and Management

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1 Overview

A Background

FSA discontinued the policy of honoring IRS paper tax levies in 2009 when Treasury began processing FSA/CCC payments through TOP to offset delinquent debt due other Federal agencies. Since the Federal Payment Levy Program (FPLP) is included in TOP, it was determined that the tax debt would be withheld by Treasury, and honoring the paper tax levy could potentially duplicate withholdings for the same debt.

IRS has provided FSA a copy of their internal policy and procedure requiring that a delinquent debtor be removed from FPLP 30 calendar days before sending a paper tax levy. Therefore, duplicate withholdings should **not** occur for the same debt.

B Purpose

This notice informs County Offices to honor and process paper levies.

C Contact

If there are questions about this notice:

- County Offices shall contact State Offices
- State Offices shall contact the appropriate office as follows.

Issue	Contact
Software-related problems	Report the issue in Remedy Self Service or notify the local ITS Technical Services Division representative.
Questions about policies or procedures	Contact Jackie Pickens by either of the following: <ul style="list-style-type: none"> • e-mail at jackie.pickens@wdc.usda.gov • telephone at 703-305-1310.

Disposal Date	Distribution
July 1, 2012	State Offices; State Offices relay to County Offices

Notice FI-3049

2 Paper Levy

A Accepting IRS Paper Levies

County Offices shall accept IRS levies according to 58-FI, paragraph 408.

B Offset of IRS Paper Levies

County Offices shall:

- offset levies and set the Other Agency Debt flag according to 63-FI, paragraph 177
- make payment out to “US Treasury” using the County Office address that initiated the payment.

C Mailing Payment to Treasury

Once the County Office receives the Treasury check and transaction statement, County Offices shall mail them along with the Notice of Levy to the originating IRS revenue officer.