



FmHA AN No. 2148 (1951)

September 19, 1990

SUBJECT: Internal Revenue Service Offset

TO: State Directors  
District Directors  
County Supervisors

ATTN: Rural Housing Chiefs  
Farmer Program Chiefs

PURPOSE/INTENDED OUTCOME: The purpose of this AN is to provide field offices with a list of delinquent borrowers who will receive FmHA Form Letter 1951-C-6 notifying them of potential IRS offset and to provide information concerning removing these borrowers from offset.

COMPARISON WITH PREVIOUS AN: No AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES: An unnumbered letter dated August 17, 1990, was sent with the list "Borrowers Eligible for Offset (Prior to 60-Day Letter)." This letter and a subsequent letter dated August 31, 1990, gave the field office instructions on how to screen the list and remove those borrowers who were not eligible for IRS offset. Based on field office submissions, the Finance Office deleted ineligible borrowers and created new lists. The borrowers listed on the printout, "Borrowers Sent 60-Day Due Process Notice for IRS/Credit Bureau Referral," will receive FmHA Form Letter 1951-C-6 notifying them of FmHA's intent to refer them for IRS offset. This attached list is being provided to servicing counties only and must be reviewed by the field offices. Also, unless their names are deleted from this list, delinquent Single Family Housing (SFH) borrowers will be referred to credit bureaus. All Farmer Program (FP) borrowers are referred quarterly to credit bureaus regardless of their status.

County Supervisors will ensure that the list is carefully screened and retained. If any borrowers on the list are ineligible, or become ineligible by December 3, 1990, for IRS offset based on the criteria listed in FmHA Instruction 1951-C §1951.122, a line must be drawn through that borrower's name.

Deletions from this list will be made through December 3, 1990. On that date, the County Supervisor will ensure that the list is copied and the original sent to the Chief, Computer Resources Branch, Mail Code FC-353, in the Finance Office. Deletions must be made in a manner that allows the name and case number deleted to be read. The list may be returned before December 3, 1990, only if all borrowers have been deleted.

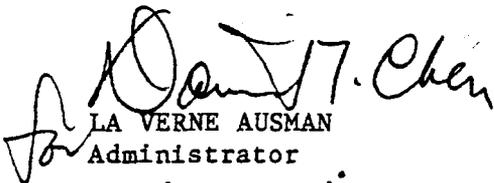
If the list is mailed after December 3, 1990, the Finance Office may not be able to process the list in time to remove borrowers from offset.

EXPIRATION DATE: December 31, 1990

FILING INSTRUCTIONS: Preceding FmHA  
Instruction 1951-C

FmHA Form Letter 1951-C-6, which is scheduled to be mailed October 1, 1990, gives borrowers the right to request a review and provide information to the County Supervisor to show why offset should not be exercised. If a borrower requests a review, the County Supervisor is responsible for promptly processing that request. If, based on the review, the borrower is determined to be ineligible for offset, the borrower's name will be removed from the list. If the County Supervisor determines the review request to be without merit, the borrower will remain on the list. In either case, the County Supervisor will promptly notify the borrower of the outcome of the review. See FmHA Instruction 1951-C, §§1951.124 and 1951.125 for further guidance on this review process.

Please call Jeanne Hudec at (202) 382-8356 or FTS 382-8356 with any questions.

  
LA VERNE AUSMAN  
Administrator

Attachment - County Offices only