



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN 2231 (1951)

February 20, 1991

SUBJECT: Offsets (Administrative, Salary, IRS) and
The Soldiers' and Sailors' Civil Relief Act

TO: State Directors, District Directors, and County Supervisors

PURPOSE/INTENDED ACTION:

This Administrative Notice (AN) is issued to clarify that an FmHA borrower who is currently in the armed forces and whose loan is covered by the Soldiers' and Sailors' Civil Relief Act of 1940 is not subject to any offset.

COMPARISON WITH PREVIOUS AN:

This replaces FmHA AN 2049 (1951) issued on February 5, 1990. Also see the recently issued unnumbered letter concerning "Housing Borrowers and Tenants on Active Military Duty."

IMPLEMENTATION RESPONSIBILITIES:

Offsets may not be sought against active duty members of the armed forces whose FmHA loans are covered by the Soldiers' and Sailors' Act. FmHA Instruction 1950-C addresses servicing accounts of borrowers entering the armed forces. For those borrowers who are covered under the Act and who are eligible for offset or are being offset, discontinue all offset actions. Refer to FmHA Instruction 1951-C, Section 1951.111(m) and Section 1951.126, respectively, for cancellation of salary and IRS offsets. For IRS Offset, County Supervisors should use revised Form FmHA 1951-43 issued on PN 150 and dated December 19, 1990.

If any amount has been collected by offset while a borrower is under protection of the Act, that amount must be refunded. Refer to FmHA Instruction 1951-C Section 1951.111(1)(2) or Section 1951.127, respectively, for refunding salary and IRS offsets.

EXPIRATION DATE: February 28, 1992

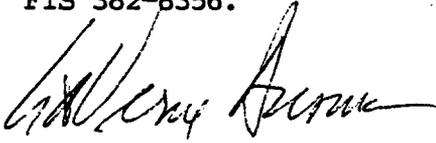
FILING INSTRUCTIONS: Preceding FmHA
Instruction 1951-C



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

FMEA Instruction 1951-C will be amended to incorporate this change.

If you have any questions, contact Jeanne Hudec at (202) 382-8356 or
FIS 382-8356.



LA VERNE AUSMAN
Administrator

Sent by Time Delay Option to States at 1:00 on 2/25/91; to Districts at
3:00 on 2/24/91, and to Counties at 5:00 on 2/25/91 by ASD.