

Multistate Tax Commission

Resolution No. 05-02

Resolution in Support of Expansion of the Refund Offset Program

Whereas, the 105th Congress passed legislation authorizing the States to participate in the federal refund offset program beginning in January 2000; and

Whereas, as of June 2005, the thirty-seven States and the District of Columbia that participate in the program have collected over \$206 million dollars in delinquent state tax debts; and

Whereas, the program has enjoyed a smooth implementation for government and citizens alike; and

Whereas, it has been the experience of tax administrators that taxpayers view offsets as the most accurate, least intrusive and least burdensome way available to satisfy a debt owed to government; and

Whereas, the current federal statutory authorization for federal refund offsets for state tax debts limits the program to individual income tax refunds being offset for individual income tax debts owed by current State residents; now, therefore, be it

RESOLVED, that the Multistate Tax Commission respectfully urges Congress to consider the value to governments and taxpayers alike of expanding the refund offset program to allow States to offset for debts owed by taxpayers with legally established tax debts regardless of their current address; and be it further

RESOLVED, that the Congress further be urged to allow offsets for taxpayers that owe tax debts other than individual income taxes; and be it further

RESOLVED, that the Congress be further urged to allow offsets for state debts against any federal payment that is part of the federal offset match.

Adopted this 29^h day of July 2005 by the Multistate Tax Commission.

Joe Huddleston
Executive Director

This resolution will expire at the Annual Business meeting of the Multistate Tax Commission in 2010.