

North Carolina Local Government Debt Setoff Clearinghouse

Checklist for New Participants

(www.ncsetoff.org/NewParticipantChecklist.pdf)

1. One-time documentation requirements: <http://www.ncsetoff.org/forms.htm>
 - Memorandum of Understanding
 - Local Agency Certification* (if not a county or municipality)
 - Multiple Unit Rider* (if collecting for another local government)
 - Business Associate Agreement * (if collecting EMS or health debts)
 - Housing Authority Rider* (if a Housing Authority)
2. 2017 online Participation form: <http://www.ncsetoff.org/2017ParticipationForm.htm>
 - Submit online, print, sign original and mail to your NCACC or NCLM office
3. Determine the method for submitting debts
 - Client software provided by the Clearinghouse
 - Electronic file from billing system, vendor or internal I.T. staff:
<http://www.ncsetoff.org/ASCIILayout.htm>
 - Excel into Client software: <http://www.ncsetoff.org/ExcelSample.xls>
 - Hardcopy forms: (no charge < 100 debts)
 - i. Non-tax debts: <http://www.ncsetoff.org/HardcopyDebtSubmission-NonTax.pdf>
 - ii. Tax debts: <http://www.ncsetoff.org/HardcopyDebtSubmission-Tax.pdf>
4. Assemble the debt information to submit
 - Debts to individuals, not corporations with debts that have been notified/billed within 10 years for taxes, three years for other debts
 - SSN or US Treasury assigned nine digit ITIN

<http://www.irs.gov/Individuals/General-ITIN-Information>
 - Last Name and First Name
 - Debts over \$50 (can be combined, do not combine any taxes with non-taxes)
 - Date Debt became delinquent
 - Compliance Date of each debt – 30 days or more beyond date the notification letter was sent
 - Expiration Date of each debt – when want to stop attempt to collect, may be many years in the future (see Statute of Limitations in past Newsletter, October 8 , 2012)
<http://www.ncsetoff.org/news.htm>
5. Send notification letters to debtors being submitted: <http://www.ncsetoff.org/forms.htm>
 - Regular mail, not certified, to last known address
 - Keep an electronic copy of the letters sent for future verification, if necessary
 - The N.C. Local Government Debt Setoff Clearinghouse vendor, Five Star Computing, Inc. can assist with generating the notification letters (no charge)
6. Submit the debts to the Clearinghouse

- ASCII and Excel users - contact the Clearinghouse for your secure website access information
- Client software users – use the TRANSMIT-EXPORT TO CLEARINGHOUSE-DEBTOR INFORMATION

7. Reminders

- Clearinghouse provides all of the following at no charge:
 - i. Conference calls (including with vendors), answer questions, review excel/ASCII file submissions
 - ii. Computer support: install, configure, test using secure remote software
 - iii. Data entry (< 100 debts) for any type of debts, even multiple departments
- Don't wait until January or February to submit debts, submit by previous November or December to be ready for upcoming tax year
- Clearinghouse submits debts every Tuesday to the Department of Revenue and Education Lottery, not just during major tax season (January – April)