



MADISON COUNTY BOARD OF SUPERVISORS

125 West North Street • Post Office Box 608
Canton, Mississippi 39046
601-855-5500 • Facsimile 601-855-5759
www.madison-co.com

Debt Collection Setoff Authorizing Resolution

WHEREAS, the Local Government Debt Collection Setoff Act (the “act”), codified at Mississippi Code Ann. §27-7-801 et seq. authorizes local governments to collect through setoff of a debtor’s Mississippi state income tax refund, any liquidated sum of at least \$50.00, individually or in the aggregate, due and owing to such local government through contract, subrogation, tort, or operation of law regardless of whether there is an outstanding judgment for that sum; and

WHEREAS, §27-7-805 of the Act provides that a local government includes a county; and

WHEREAS, Madison County Board of Supervisors (the “Participant”) is a local government for purposes of the Act; and

WHEREAS, Participant desires to enter into a Participation Agreement (the “agreement”) with Debt Intercept Services, LLC (“DIS”), an entity established by the Mississippi Association of Supervisors, for participation in its debt set off program (the “Program”); and

WHEREAS, the purpose of the Program is to submit eligible debts to the Mississippi Department of Revenue (DOR) on behalf of Participant for setoff against a debtor’s Mississippi state income tax refund; and

WHEREAS, DIS has developed the Program in compliance with the requirements of the Act and DOR regulations; and

WHEREAS, the Participant will comply with all requirements for participation in the Program, including the execution of the Agreement, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, the adoption of procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act, and designation of a Debt Setoff Program Coordinator (“Coordinator”).

NOW, THEREFORE, BE IT RESOLVED BY THE MADISON COUNTY BOARD OF SUPERVISORS, AS FOLLOWS:

SECTION 1. That the Participant does hereby approve the Agreement and participation in the Program for the collection of eligible debts owed to the Participant and will utilize the Program for the collection of Eligible Debts.

SECTION 2. That the Participant will comply with the requirements of the Act related to participation in the Program, will execute the Agreement with DIS to allow for debt submissions to MS DOR of delinquent debts due to the Participant for setoff against state income tax refunds by MS DOR, will develop procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act.

SECTION 3. That the Participant designates Greg Higginbotham to serve as the designated Coordinator and authorizes and directs the coordinator to take all action necessary and appropriate to accomplish Participant's responsibilities in the Program and under the Act.

SECTION 4. This resolution shall take effect and be in force from and after adoption.

MAS Debt Setoff Program



Debt Intercept Services



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History of Program

During the 2019 Legislative Session, the Mississippi Association of Supervisors (“MAS”) advocated for the passage of House Bill 991, which authorized counties to collect debts by intercepting a debtor’s state income tax refund. The legislative body agreed to pass House Bill 991. Governor Phil Bryant signed the Local Government Debt Collection Setoff Act (“Act”) into law on March 13, 2019.

MAS worked with the Mississippi Department of Revenue (“DOR”) to implement its debt intercept program (“Program”) and began accepting submissions from county participants in 2021.

Since January 2021, the Program has reduced outstanding debt for participants by \$207,000. That balance does not reflect the debts Participant collected by debtors responding to the notice letter. One participating county reported they collect nearly \$280,000 each year at the county before submitting the data.

During the 2023 Legislative Session, House Bill 388 offered an amendment to the Act, including a revision to the definition of **local government**: “...shall also include a community hospital owned by one or more counties, cities, towns, supervisor districts or combination thereof.” The Act was signed into law by Governor Tate Reeves on March 23, 2023.

With the new expansion opportunity created by the 2023 revision of the Act, MAS formed Debt Intercept Services, LLC (“DIS”) to administer the Program for all counties and county-owned community hospitals. DIS will begin accepting county and community hospital participants into the Program after July 1, 2023, when the revised Act becomes effective.

Duties of the Governing Board

Counties and community hospitals participating in the Program (each, a “Participant”) will work closely with DIS staff to coordinate submission of valid debts to be setoff by the Mississippi Department of Revenue (“DOR”) and for receipt of any funds intercepted by DOR relating to the debts.

Participants must complete the following steps to join the Program.

- Governing Board (Board of Supervisors for counties; Board of Trustees for community hospitals) adopt Authorizing Resolution
- Execute a Participation Agreement
- Designate a Program Coordinator
- Designate a hearing officer
- Establish hearing procedures for any debtors contesting debts

Duties of the Program Coordinator

Appointed by the Governing Board, the Program Coordinator is the Participant's point-of-contact for DIS staff. Multiple county or hospital departments may participate, but all data should be submitted in a single submission file by the Program Coordinator.

The Program Coordinator will, among other tasks:

- Coordinate with departments to compile list of debtors;
- Prepare and mail notices to debtors;
- Schedule and coordinate hearings with the hearing officer, if requested by debtor;
- Compile required debt information and submitting to DIS;
- Update DIS if a debtor pays Participant directly on a previously submitted debt or if Participant receives notice that debtor is covered under bankruptcy proceeding; and
- Receive funds intercepted by DOR and allocate to appropriate department.

Once the Participation Agreement is executed, the Program Coordinator will attend an implementation meeting at the DIS office for training.

Establishing Debt Eligibility

Although the Act does not limit the *type* of debt that can be collected under the Program, the Act does set forth specific requirements that must be met before a debt ("Debt") can be submitted for setoff.

At a minimum, the Debt must be at least \$50 and at least 60 days past due. Multiple debts can be combined to reach the \$50 threshold.

There is no limit on the age of the account. If the Participant has records to validate the Debt, that Debt can be submitted.

If Participant receives a bankruptcy notification from the debtor, the Debt must be removed from submission immediately.

DIS considers the submission of Debts by the Participant to be its acknowledgement that Debts meet these requirements.

How It Works

After executing the Participant Agreement, the Participant, through the Program Coordinator,

Send Notice Letter

The Act requires Participants to mail a notice letter (“Notice Letter”) to debtors, notifying them that the Participant intends to submit their debt for setoff against their Mississippi state income tax return (§ 27-7-811).

The Act states that the debtor’s date of response to the Notice Letter is the date the response was mailed. Participant must give debtor the opportunity to give written notice to contest the setoff within 30 days of the date of mailing of the notice. If the debtor fails to do so, they have waived their opportunity to contest the debt and the right to ask for a hearing.

Because the Act recognizes the mailing date as the debtor’s response date, DIS recommends Participant wait 45 days after mailing the Notice Letter before submitting Debts to allow for US Mail delivery delays.

Submit Debts for Intercept

Participant will submit data to DIS in a password-protected Excel file, with the following data:

- Debtor’s full name (first and last)
- Debtor’s Social Security Number (SSN), Individual Tax Identification Number (ITIN), or Employer Identification Number (EIN), if a business.
- Amount of the Debt
- Type/source of Debt (solid waste, justice court fine, medical debt, etc.)

If Participant receives a payment from the debtor after submitting its file to DIS that is applied to the Debt, Program Coordinator must send an updated data file to DIS within 10 days of such payment. Should an overpayment on a debt occur when an intercept is completed for a debtor who paid the balance directly to the Participant, the Participant will be responsible for refunding the overpayment to the debtor. However, neither DIS nor DOR will refund the collection assistance fee charged with the intercept.

Receive Intercept Funds

After receiving an intercept file from DOR, DIS will allocate payments to Participants for each debtor and mail checks and allocation summary to the Program Coordinator. If more than one Participant submits a claim for the same individual, allocation of intercept funds will be based on date/time submission was received by DIS.

Program Coordinator will apply payment to the Debt as received. ***Collection assistance fee is in addition to the Debt and is not deducted from the debtor's account.*** The collection assistance fee is calculated based on the amount intercepted and not on the balance owed.

Each year, DOR will attempt to intercept any remaining balances until the Debt is paid in full.

Calendar/Deadlines

The following targeted deadlines have been established by DIS to allow Participants time to complete statutorily required notices prior to submitting data to DIS, while also allowing time for DIS staff to compile Participants' data into a single submission file for DOR.

October 15 – November 1: Participants should have mailed notification letters to debtors, informing them of the intention to submit debts for setoff.

December 1: Deadline for Participants to send initial debt submissions to DIS for January submission to DOR.

After December 1: Participants send DIS updates to previously submitted debts (such as payments received by the Participant, bankruptcy notifications, etc.); new debt submissions will be processed monthly beginning February 15.

January 15: Deadline for DIS to send initial submissions to DOR.

February and beyond: DIS will make monthly submissions to DOR, but only if DIS receives updates from one or more Participants. DOR will return to DIS intercepts identified on submitted debts. DIS will remit monthly payments to Participants for any intercepts received.

While February through April each year are the most active months for the Program, intercepts have been received from DOR through September and October months, as some taxpayers file income tax returns later in the year. If there are multiple claims against a taxpayer by two or more claimants, claims have priority based on when they are submitted, so Participants should continue submitting debts to DIS throughout the year (§27-7-815).

Participants should continue sending updates to debt balances to DIS within 10 days of receipt of payment or bankruptcy notification throughout the year, and not just within tax season.

If Participant cannot meet these deadlines, the Program Coordinator should contact DIS as early as possible to discuss revised deadlines.

Program Contact Information

For any questions regarding the Program, please contact us:

Derrick Surrette, MAS Executive Director

dsurrette@massup.org

Stephanie Spangler, Director of Finance &
Member Services

sspangler@massup.org

MAS Office:

Mail: 793 North President Street, Jackson, MS 39202

Email: sspangler@massup.org

Phone: 601.353.2741

Fax: 601.353.2749

FAQs: Frequently Asked Questions

The information provided in these FAQs is for research purposes only and is not legal advice from the Mississippi Association of Supervisors or Debt Intercept Services, LLC. It is not a substitute for individualized legal advice. Further, Mississippi Association of Supervisors and Debt Intercept Services, LLC disclaim any responsibility or liability which may arise or result from the use or reliance on any portion of the information provided in these FAQs.

1. Who is eligible to use the Program?

Any Mississippi county board of supervisors or community hospital owned in whole or in part by one or more counties are eligible to participate in the Program.

2. Is there a fee to use the Program?

No. This is a free service for Participants. However, the individual debtor will be charged a 25% collection assistance fee on the amount of the debt intercepted by DOR. This fee is established in the Act.

3. Should I add the 25% fee when submitting debts?

No. The submission should include only the amount owed to the county or community hospital. The collection assistance fee will be added by DIS before submitting consolidated debts to DOR.

4. Will the collective assistance fees be refunded if a refund is intercepted in error?

No. Neither DIS nor DOR will refund collection assistance fees to debtors or Participants. It is the belief of DIS that a debtor waives the expectation of refund for the collection assistance fee if the debtor does not respond to the notification letter sent by the Participant prior to the deadline, as set out in the Act.

5. What is the lowest amount of debt that can be submitted?

Debt must be at least \$50. Smaller debts from the same debtor may be added together to meet the \$50 requirement.

6. How old does the debt have to be for submission?

The debt must be at least 60 days old, or such longer period as may be required by other State or federal law.

7. Is there a limit to how old the debt can be?

There is no limit under the Act, but other State or federal laws may have limits depending on the type of debt. Participant is responsible for determining if a debt is eligible for setoff.

8. What are the kinds of debt that can be submitted?

Mississippi Code Ann. § 27-7-801 defines debt as “any liquidated sum due and owing to any claimant local government which has accrued through contract, subrogation, tort, justice or municipal court conviction or any other debt regardless of whether there is an outstanding judgment for the sum.”

9. Can the setoff process be stopped after debt is submitted to the Program if the debtor pays their debt to the Participant?

Possibly, if timely notice is received. If the debtor pays the debt – in whole or in part – directly to the Participant, or if the debt is collected in some other means outside the Program, the Participant should notify DIS as soon as possible, but at least within 10 days of receiving payment.

Section 27-7-813 states that such changes to debts submitted to DOR must be sent to DOR within 60 days of payment or other clearance of the debt. The 10-day notice to DIS requirement allows DIS time to compile changes into a monthly update to DOR.

10. Are there deadlines for debt submission?

Submissions may be sent throughout the year. DIS requests that the initial data submission be sent by December 1, 2023 to allow time for compilation of all Participants’ data into a single submission file by January 15, 2024. Submission received by DIS after December 1, 2023 will be processed on a monthly basis beginning February 15, 2024.

Participants should submit regular updates to previously submitted accounts if the Participant receives a payment to the balance or receives notice of bankruptcy from the debtor. These updates may be sent at any time throughout the year and should be sent as soon as possible.

11. How long does it take to receive funds if an intercept has been made?

DOR will provide weekly intercept reports to DIS. Upon receipt of intercept funds, DIS will distribute funds to Participants on a monthly basis.

However, the process is dependent on when and if the debtor files a Mississippi state tax return, and if the debtor is receiving a refund of at least \$50. DIS has received intercepts from DOR throughout the year, as late as November.

12. What should I do if a debt is paid in full or the balance is less than \$50?

Intercept requests remain in DOR’s system until the entire balance is intercepted or DOR receives an updated \$0 entry for the debtor.

To remove an account from the Program, you must submit a \$0 entry for the debtor.

13. Can I submit debts to the Program and to a collection agency?

The Act was created as an additional means of collecting unpaid accounts and is not a replacement or substitution for other collections means. However, DIS strongly recommends that you *do not* attempt to collect an individual debt through the Program and a debt collection agency simultaneously. Doing so may lead to an intercept attempt on a debt that was also collected through a collection agency.

Any refund owed to a debtor because of a duplicate collection will be the sole responsibility of the Participant. Neither DIS nor DOR will refund the 25% collection assistance fee in such instances.

14. How does this affect joint taxpayers' accounts?

DOR will intercept funds based on the debtor's social security number, regardless of whether the return is for a single taxpayer or joint return.

15. What is the importance of developing a process to positively identify debtors?

It is vital that the Participant be completely sure it has verified debtors' names and social security numbers before submitting data under the Program. DIS does not validate or review data for correctness, typographical errors or other misstatements.

Participants should keep accurate and thorough records of information submitted to DIS, the notice letter sent to the debtor, any correspondence with the debtor after the letter has been distributed, hearing transcripts or records, and other such information.

16. Does the notice letter have to be sent certified mail or other method providing proof of delivery to debtor?

The Act only requires written notice to the debtor. Participant is responsible for determining the appropriate means for disseminating the written notice.

17. What happens if the debtor pays the debt immediately upon receipt of letter?

Debtors have 30 days from the date of the notice letter pursuant to the Act to request a hearing with the hearing officer. A request for hearing is considered filed at the time the debtor places the written request in the mail. DIS recommends that Participants maintain a minimum 45-day waiting period after mailing date to allow for delays in USPS delivery.

If the debtor pays his or her debt at any time during the 30-day notice period, the Participant should update its records accordingly. Because the debt was not submitted to DIS for setoff, the 25% collection assistance fee would not be applied or collected.

18. Who can be a “hearing officer?”

The hearing officer can be whoever the Participant’s Governing Board recommends or appoints to serve in that capacity.

The Governing Board should appoint a hearing officer and establish procedures for holding hearing(s) before notification letters are mailed to debtors.

Statute: Miss. Code Ann. §§27-7-801 through 27-7-823

Effective as of July 1, 2023

§27-7-801. Short title.

This article shall be known as the “Local Government Debt Collection Setoff Act.”

§ 27-7-803. Legislative purpose.

The purpose of this article is to establish as public policy that all claimant local governments and the Department of Revenue shall cooperate in identifying debtors who owe money to local governments and who qualify for refunds from the Department of Revenue. It is also the intent of this article that procedures be established for setting off against any refund the sum of any debt owed to a local government. Furthermore, it is the legislative intent that this article be liberally construed so as to effectuate these purposes as far as legally and practically possible.

§ 27-7-805. Definitions.

As used in this article

(a) “Claimant local government” means local governments acting through their nonprofit member organizations with respect to the collection of any debt owed and finalized by law, ordinance, order or resolution.

(b) “Debtor” means any person owing a debt to any claimant local government.

(c) “Debt” means any liquidated sum due and owing to any claimant local government which has accrued through contract, subrogation, tort, justice or municipal court conviction or any other debt regardless of whether there is an outstanding judgment for the sum.

(d) “Department” means the Mississippi Department of Revenue.

(e) “Local government” means a county or municipality. For purposes of this paragraph (e), county or municipality shall also include a community hospital owned by one or more counties, cities, towns, supervisor districts or combination thereof.

(f) “Member organization” means the Mississippi Association of Supervisors for counties and community hospitals owned in whole or in part by one or more counties or supervisor districts, the Mississippi Municipal League for municipalities and community owned hospitals owned in whole or in part by one or more municipalities, or entities established through or contracted by these member organizations for the purpose of facilitating debt collection under this article.

(g) “Net proceeds collected” means gross proceeds collected through setoff against a debtor’s refund less the collection assistance fees authorized in this article.

(h) “Person” means any individual, firm, partnership, association, trustee, receiver, assignee, corporation, entity, limited liability company, utility or joint venture.

(i) “Refund” means the Mississippi income tax refund which the department determines to be due a debtor.

(j) “Setoff” means the department’s legal right to reduce the debtor’s claim to a Mississippi income tax refund from the department by a debt the claimant local government properly establishes under this article which is owed by the debtor.

§ 27-7-807. Remedy to be in addition to others available.

(1) The collection remedy in this article is in addition to and not in substitution for any other remedy available by law.

(2) A local government may submit a debt owed to it for collection under this article. A local government that decides to submit a debt owed to it for collection under this article shall establish the debt by following the procedures set forth in Section 27-7-811 and shall submit the debt through a member organization.

§ 27-7-809. Applicability of article.

This article only applies to a debt that is at least Fifty Dollars (\$50.00) and refunds to which the debtor is entitled of at least Fifty Dollars (\$50.00). Different types of debts under Fifty Dollars (\$50.00) may be combined to satisfy the debt threshold if they are owed by the same debtor.

§ 27-7-811. Notice to debtor; hearing upon written request; appeals.

(1) A local government may not submit a debt for collection under this article until it has given the notice required by this section and the claim has been finally determined as provided in this section.

(2) A local government, or its member organization on its behalf, shall send written notice to a debtor that the local government intends to submit the debt owed by the debtor for collection by setoff. The notice shall explain the basis for the local government’s claim to the debt, that the local government intends to apply the debtor’s refund against the debt, and that a total collection assistance fee of twenty-five percent (25%) shall be added to the debt if it is submitted for setoff. The notice shall also inform the debtor that the debtor has the right to contest the matter by filing a request for a hearing with the local government, shall state the time limits and procedures for requesting a hearing and shall state that the failure to request a hearing within the required time will result in setoff of the debt.

(3) A debtor who decides to contest a proposed setoff shall file a written request for a hearing with the local government within thirty (30) days after the date the local government mails a notice of the proposed action to the debtor. A request for a hearing is considered to be filed when it is delivered for mailing with postage prepaid and properly addressed as required in

the notice provided by the local government. The governing body of the local government or a person designated by the governing body shall hold the hearing. In a hearing under this section, any civil or criminal issue that has been litigated in a court proceeding cannot be reconsidered.

(4) A decision made after a hearing under this article shall determine whether a debt is owed to the local government and the amount of the debt.

(5) Appeals from hearings held under this article shall be made to the circuit court of the county in which the debtor resides and shall be reviewed on the administrative record made at the hearing before the local government. The standard of review of such decisions shall be that established by Mississippi law pertaining to the review of all other administrative decisions made by political subdivisions.

§ 27-7-813. Notice to department by claimant government; identification of debtor; determination of debtor's qualification for refund; notice to debtor of setoff.

(1) A claimant local government, or its member organization on its behalf, seeking to collect a debt through setoff shall notify the department in writing and supply information necessary to identify the debtor whose refund is sought to be setoff. The local government, or its member organization, shall notify the department in writing within sixty (60) days of when a debt of which the department has previously been noticed has been paid or is no longer owed to it.

(2) The department, upon receipt of notification, shall determine each year whether the debtor to the claimant local government is entitled to a refund of at least Fifty Dollars (\$50.00) from the department. Upon determination by the department that a debtor specified by a claimant local government qualifies for such a refund, the department shall set off the debt against the refund to which the debtor would otherwise be entitled and shall refund any remaining balance to the debtor. The department shall mail the debtor written notice that the setoff has occurred and shall credit the net proceeds collected to the claimant local government, after deducting the total collection assistance fee owed to the department and the member organization.

§ 27-7-815. Priority of multiple claims.

When there are multiple claims by two (2) or more member organizations submitting debts on behalf of local governments, the claims have priority based on the date each member organization filed the claim with the department. When there are multiple claims among local governments whose debts are submitted by the same member organization, the claims have priority based on the date each local government requested the member organization to submit the debts on its behalf. A claim submitted under Sections 27- 7-501 through 27-7-519 shall have priority over a claim submitted under this article.

§ 27-7-817. Collection assistance fee.

To recover the costs incurred by the department and the member organization in collecting debts under this article, a total collection assistance fee of twenty-five percent (25%) shall be imposed on each debt collected through setoff. The department shall collect this fee as part of the debt and retain five percent (5%) for its administrative costs. The additional twenty percent (20%) shall be remitted to the member organization as payment for collection services rendered on behalf of its claimant local governments.

§ 27-7-819. Transmittal of net proceeds collected to be accompanied by accounting of setoffs; credit of debtor's obligation with net proceeds collected.

(1) Along with the transmittal of the net proceeds collected on behalf of the claimant local government, the department shall provide the local government with an accounting of the setoffs for which payment is being made. The accounting shall, whenever possible, include the full names of the debtors, the debtor's social security numbers or federal tax identification numbers, the gross proceeds collected per setoff, the net proceeds collected per setoff and the collection assistance fees added to the debt collected per setoff.

(2) Upon receipt by a claimant local government of net proceeds collected on the claimant local government's behalf by the department, the claimant local government shall credit the debtor's obligation with the net proceeds collected.

§ 27-7-821. Exchange of information necessary to effectuate article; confidentiality of information.

(1) The department, the local government or its member organization on its behalf may exchange information necessary to accomplish and effectuate the intent of this article.

(2) The information obtained by a local government or its member organization in accordance with the provisions of this article shall retain its confidentiality and shall only be used by the local government or member organization in the pursuit of its debt collection duties and practices; and any employee or former employee of any local government or its member organization who unlawfully discloses any such information for any other purpose, except as otherwise specifically authorized by law, shall be subject to the same penalties specified by law for unauthorized disclosure of confidential information by an agency or employee of the department.

§ 27-7-823. Promulgation of rules and regulations by department and local governments to implement and administer article.

The department shall promulgate rules and regulations pursuant to the Mississippi Administrative Procedures Act which are necessary to implement and carry out its duties and functions under this article. Local governments may also promulgate rules and regulations necessary for the local administration of their authority granted this article.

Sample Resolution for Counties

This sample resolution sets out the requirements for a county board of supervisors to join the Program. The resolution shall, at a minimum, state the Participant's intention to participate in the Program, authorize execution of the Participation Agreement and designate a Program Coordinator.

DEBT COLLECTION SETOFF AUTHORIZING RESOLUTION

WHEREAS, the Local Government Debt Collection Setoff Act (the "Act"), codified at Mississippi Code Ann. § 27-7-801 et seq. authorizes local governments to collect through setoff of a debtor's Mississippi state income tax refund, any liquidated sum of at least \$50.00, individually or in the aggregate, due and owing to such local government through contract, subrogation, tort, or operation of law regardless of whether there is an outstanding judgment for that sum; and

WHEREAS, §27-7-805 of the Act provides that a "local government" includes a county; and

WHEREAS, _____ (the "Participant") is a local government for purposes of the Act; and

WHEREAS, Participant desires to enter into a Participation Agreement (the "Agreement") with Debt Intercept Services, LLC ("DIS"), an entity established by the Mississippi Association of Supervisors, for participation in its debt setoff program (the "Program"); and

WHEREAS, the purpose of the Program is to submit eligible debts to the Mississippi Department of Revenue (the "MS DOR") on behalf of Participant for setoff against a debtor's Mississippi state income tax refund; and

WHEREAS, DIS has developed the Program in compliance with the requirements of the Act and MS DOR regulations; and

WHEREAS, the inability to collect outstanding debts due to the Participant increases its financial burdens and administrative costs; and

WHEREAS, the Participant believes that participation in the Program will be an effective method to collect delinquent debts due to the Participant from the nonpayment of debts eligible for setoff under the Act ("Eligible Debts"); and

WHEREAS, the Participant will comply with all requirements for participation in the Program, including the execution of the Agreement, a copy of which is attached hereto as EXHIBIT A and incorporated herein by reference, the adoption of procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act, and designation of a Debt Setoff Program Coordinator ("Coordinator").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF _____, AS FOLLOWS:

SECTION 1. That the Participant does hereby approve the Agreement and participation in the Program for the collection of eligible debts owed to the Participant and will utilize the Program for the collection of Eligible Debts.

SECTION 2. That the Participant will comply with the requirements of the Act related to participation in the Program, will execute the Agreement with DIS to allow for debt submissions to MS DOR of delinquent debts due to the Participant for setoff against state income tax refunds by MS DOR, will develop procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act.

SECTION 3. That the Participant designates _____ to serve as the designated Coordinator and authorizes and directs the Coordinator to take all action necessary and appropriate to accomplish Participant's responsibilities in the Program and under the Act.

SECTION 4. This resolution shall take effect and be in force from and after adoption.

Sample Resolution for Hospitals

This sample resolution sets out the requirements for a hospital’s board of trustees (or other governing board) to join the Program. The resolution shall, at a minimum, state the Participant’s intention to participate in the Program, authorize execution of the Participation Agreement and designate a Program Coordinator.

DEBT COLLECTION SETOFF AUTHORIZING RESOLUTION

WHEREAS, the Local Government Debt Collection Setoff Act (the “Act”), codified at Mississippi Code Ann. § 27-7-801 et seq. authorizes local governments to collect through setoff of a debtor’s Mississippi state income tax refund, any liquidated sum of at least \$50.00, individually or in the aggregate, due and owing to such local government through contract, subrogation, tort, or operation of law regardless of whether there is an outstanding judgment for that sum; and

WHEREAS, §27-7-805 of the Act provides that a “local government” includes a county or a community hospital owned in whole or in part by one or more counties or supervisors districts; and

WHEREAS, _____ is a community hospital as defined in §41-13-10 Mississippi Code of 1972, as amended, owned in whole or in part by one or more counties or supervisors district; and]

WHEREAS, _____ (the “Participant”) is a local government for purposes of the Act; and

WHEREAS, Participant desires to enter into a Participation Agreement (the “Agreement”) with Debt Intercept Services, LLC (“DIS”), an entity established by the Mississippi Association of Supervisors, for participation in its debt setoff program (the “Program”); and

WHEREAS, the purpose of the Program is to submit eligible debts to the Mississippi Department of Revenue (the “MS DOR”) on behalf of Participant for setoff against a debtor’s Mississippi state income tax refund; and

WHEREAS, DIS has developed the Program in compliance with the requirements of the Act and MS DOR regulations; and

WHEREAS, the inability to collect outstanding debts due to the Participant increases its financial burdens and administrative costs; and

WHEREAS, the Participant believes that participation in the Program will be an effective method to collect delinquent debts due to the Participant from the nonpayment of debts eligible for setoff under the Act (“Eligible Debts”); and

WHEREAS, the Participant will comply with all requirements for participation in the Program, including the execution of the Agreement, a copy of which is attached hereto as EHXIBIT A and incorporated herein by reference, the adoption of procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act, and designation of a Debt Setoff Program Coordinator (“Coordinator”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF [SUPERVISORS/TRUSTEES] OF _____, AS FOLLOWS:

SECTION 1. That the Participant does hereby approve the Agreement and participation in the Program for the collection of eligible debts owed to the Participant and will utilize the Program for the collection of Eligible Debts.

SECTION 2. That the Participant will comply with the requirements of the Act related to participation in the Program, will execute the Agreement with DIS to allow for debt submissions to MS DOR of delinquent debts due to the Participant for setoff against state income tax refunds by MS DOR, will develop procedures to allow any debtor to contest a setoff through the statutory procedures set out in the Act.

SECTION 3. That the Participant designates _____ to serve as the designated Coordinator and authorizes and directs the Coordinator to take all action necessary and appropriate to accomplish Participant’s responsibilities in the Program and under the Act.

SECTION 4. This resolution shall take effect and be in force from and after adoption.

Sample Participation Agreement for Counties

DEBT SETOFF PROGRAM PARTICIPATION AGREEMENT

Pursuant to Mississippi Code §27-7-801 *et seq.* (the “Act”), Debt Intercept Services, LLC (“DIS”), an entity established by the Mississippi Association of Supervisors, is authorized to submit to the Mississippi Department of Revenue (“MS DOR”) any eligible debt owed to a county for setoff against any Mississippi (“State”) income tax refund otherwise due to a debtor. _____ (hereinafter, the “Participant”) is a local government authorized to submit debts owed to it for collection under the Act, and Participant’s Board of Supervisors has adopted a resolution, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, authorizing Participant to enter into this Agreement. DIS will submit debts to MS DOR on behalf of Participant, pursuant to this Agreement, the Act and procedures set out by MS DOR.

Based upon the foregoing, DIS and Participant do hereby enter into this agreement (the “Agreement”) for processing State income tax refund setoff requests for eligible debts due Participant under the following terms and conditions:

1. Participant hereby designates, appoints and authorizes DIS to process eligible delinquent debts to MS DOR pursuant to procedures established by DIS and agrees to comply with all applicable provisions of the Act and any procedures established by DIS for the submission of all eligible debts.

2. Both parties understand and agree that for purposes of this Agreement, an eligible debt is defined as any liquidated sum due and owing Participant which has accrued through contract, subrogation, tort, justice or municipal court conviction or any other debt regardless of whether there is an outstanding judgement for the sum, provided the amount due is at least \$50, individually or in the aggregate, is at least sixty (60) days delinquent on the date submitted to DIS, and has been properly noticed and adjudicated by Participant as due and owed.

3. Participant understands and agrees not to submit for setoff any debt that is for less than \$50 (in the aggregate) and that is not at least sixty (60) days delinquent as of the date submitted to DIS. In submitting a debt to DIS, Participant shall certify that such debt meets the eligibility criteria set forth in this Agreement and the Act and that the setoff of such debt is in compliance with all other applicable State and federal laws and regulations. Participant further understands and agrees that DIS will not research or review the validity of a debtor’s personal information or the amount or type of debt submitted by Participant prior to submitting such debt to MS DOR and that Participant is responsible for ensuring that it only submits debts for State income tax refund setoff which meet the requirements of the Act, this Agreement and MS DOR rules and regulations and which will not be in violation of any other State or federal laws or regulations.

4. Participant designates _____ to serve as debt setoff coordinator (“Coordinator”). Coordinator shall be responsible for submission of all debts to DIS and for the implementation of this Agreement at the local level pursuant to the requirements of the Act and

the procedures established by DIS. The Coordinator is the designated representative of Participant authorized to receive notices and communication from DIS and to ensure that the requirements of this Agreement and the Act are met. The Coordinator shall supply DIS with any and all information that in the opinion of DIS is necessary for the proper implementation of this Agreement. Participant shall notify DIS in writing within seven (7) days of any change in the Coordinator.

5. DIS agrees to provide Participant with certain information and tools necessary for proper debt submission including, at a minimum: (1) written procedures detailing the debt submission process; (2) a list of the type of debtor-related information that is required, such as name, Social Security number, and basis of the debt; and (3) template or file format data necessary for proper submission of eligible debts by Participant. DIS further agrees to update procedures and tools as necessary and, when changes are made, provide reasonable notice to Participant to implement required changes. DIS agrees to provide Participant with technical assistance in submitting debt information in the proper format.

6. Participant agrees that it may only utilize the information and tools provided by DIS pursuant to paragraph 5 of this Agreement for Program submissions and other Program requirements. Participant agrees to utilize the format specified by DIS to prepare all debt files and adjustments or updates to debt files that Participant certifies are owed to Participant and that Participant desires to have DIS submit to MS DOR for setoff.

7. Participant will not submit a debt to DIS for collection less than fourteen (14) days after the claim has been finally determined as provided in Mississippi Code § 27-7-811. Participant shall be solely responsible for sending the required written notice to a debtor that Participant intends to submit the debt owed by the debtor for collection by setoff. The notice shall explain the basis for Participant's claim to the debt, that Participant intends to apply the debtor's refund against the debt, and that a total collection assistance fee of twenty-five percent (25%) shall be added to the debt if it is submitted for setoff. The notice shall also inform the debtor that the debtor has the right to contest the matter by filing a request for a hearing with Participant, shall state the time limits and procedures for requesting a hearing and shall state that the failure to request a hearing within the required time will result in setoff of the debt. A debtor wishing to contest a proposed setoff shall file written request for a hearing with Participant within thirty (30) days after the date the notice of the proposed action is mailed to the debtor. A request for a hearing is considered to be filed when it is delivered for mailing with postage prepaid and properly addressed as required in the notice provided by Participant. If a debtor timely requests a hearing, the governing body of Participant or a person(s) designated by the governing body shall hold the hearing. In a hearing under Mississippi Code § 27-7-811, any civil or criminal issue that has been litigated in a court proceeding cannot be reconsidered. Appeals from the hearing shall be made to the circuit court in which the debtor resides and shall be reviewed on the administrative record made at the hearing before Participant. The standard review of such decisions shall be that established by State law pertaining to the review of all other administrative decisions made by political subdivisions.

8. DIS agrees to make an initial setoff submission to MS DOR by January 15, 2024. Both parties understand and agree that Participant shall submit all required information regarding any eligible debts to DIS no later than December 1, 2023 for inclusion in DIS's initial setoff submission to MS DOR.

9. For submissions received after December 1, 2023, DIS agrees to make subsequent debt submissions to MS DOR on a monthly basis, commencing February 15, 2024, and further agrees that the monthly submissions shall include all submissions received from any participants in the Program which have been received by the deadline set by DIS for inclusion in that monthly submission. Participant understands and agrees that DIS will only make debt submissions to MS DOR on a monthly basis, and in order to have debts included in the monthly submission to MS DOR, Participant shall submit all required information regarding any eligible debts to DIS no later than the prescribed deadline.

10. After a debt has been submitted to DIS for setoff, Participant shall provide written notice to DIS and MS DOR within five (5) business days of receiving payment, in part or in full, from a debtor on a previously submitted debt or from the date the Participant receives any notice of or becomes aware of a legal action staying the collection of the debt, including bankruptcy.

11. At the time of the transfer of funds to DIS, MS DOR shall notify the taxpayer or taxpayers whose State income refund is sought to be setoff that the transfer has been made. The notice shall clearly set forth the name of the debtor, the manner in which the debt arose, the amount of the debt, the transfer of funds to DIS pursuant to MS DOR regulation guidelines, the intention to setoff the refund against the debt, and the amount of the refund in excess of the claimed debt. Participant agrees that, in the event a debtor or joint filer is entitled to a return of all or any portion of monies setoff from his or her State income tax refund on behalf of Participant, Participant shall be responsible for returning said monies to the debtor or joint filer, including the amount of all administrative fees as provided in paragraph 13.

12. Both parties understand that MS DOR shall transfer to DIS any funds collected as setoff of a State income tax refund pursuant to debt submissions received from DIS on behalf of participants in the Program. Both parties further understand and agree that MS DOR shall regularly distribute reports to DIS detailing which refunds were setoff as a result of debt submissions received from DIS. Both parties agree that DIS shall distribute setoff funds received from MS DOR on a monthly basis. Both parties understand and agree that distribution will be made to participants in the program in the same order that funds are received from MS DOR based upon the reports received from MS DOR.

13. Participant understands and agrees that, pursuant to Mississippi Code § 27-7-811, DIS and MS DOR shall retain a collection assistance fee totaling twenty-five percent (25%) from each refund that is setoff on behalf of Participant. Both parties understand and agree that this fee shall not reduce the amount of the debt due to be paid to Participant but shall instead be an additional fee and first charge on any refund monies setoff from the debtor. Both parties also understand and agree that this fee shall be retained by DIS and MS DOR regardless of whether any monies setoff from a debtor's State income tax refund are returned to the debtor or a joint filer by Participant pursuant to paragraph 14.

14. Participant understands and warrants that by submission of any debt to DIS for setoff, Participant has complied with the terms of this Agreement and with all State and federal laws and regulations, including but not limited to the Act and the Patient Protection and Affordable Care Act, for the collection of debt. By signing this Agreement, Participant agrees to hold DIS free and harmless against any and all damages, claims, actions, injuries,

liability or proceedings arising from the failure of Participant to so perform, to the extent allowed by law, and DIS shall not be responsible for or assume any liability for any mistakes made by MS DOR. Participant shall be responsible for the repayment of any sums received by it and/or retained by MS DOR and DIS pursuant to paragraph 13, including interest, penalties and court costs, to a debtor or joint filer in the event a court of competent jurisdiction rules that said repayment is due to a debtor or joint filer.

15. Both parties understand and agree that all information exchanged with each other and/or MS DOR pursuant to this Agreement and any procedures established for the implementation, operation or administration of the Program, including but not limited to printed, written, oral or computer-formatted information, shall be held in the strictest confidence, and shall be used solely for the business purposes that are the subject of this Agreement. Both parties shall maintain confidentiality of such information, not only during the course of the performance of this Agreement, but also following its termination. Participant shall be solely responsible for determining and utilizing the appropriate level of care in transmitting confidential information to DIS.

16. Both parties agree that this Agreement shall remain and continue in full force and effect from year to year until or unless modified or terminated in writing by either party upon ninety (90) days written notice to the other party. Upon termination of this Agreement all sums due and owing from either party to the other shall remain a lawful obligation of the party and be due and payable. Following termination of this Agreement, DIS shall erase all data files related to Participant from its debt setoff system.

17. This Agreement represents the full and final understanding of the parties with respect to the subject matter described herein and supersedes any and all prior agreements or understandings, written or oral, express or implied. This Agreement may be modified or amended only by a written statement signed by both parties.

Executed on this the _____ day of _____, _____.

Debt Intercept Services, LLC

By: _____

By: _____

Title: _____

Title: _____

Exhibit A

Participant Resolution

Sample Participation Agreement for Hospitals

DEBT SETOFF PROGRAM PARTICIPATION AGREEMENT

Pursuant to Mississippi Code §27-7-801 *et seq.* (the “Act”), Debt Intercept Services, LLC (“DIS”), an entity established by the Mississippi Association of Supervisors, is authorized submit to the Mississippi Department of Revenue (“MS DOR”) any eligible debt owed to a community hospital owned in whole or in part by one or more counties or supervisors districts for setoff against any Mississippi (“State”) income tax refund otherwise due to a debtor. The _____ (hereinafter, the “Participant”) is a community hospital, as defined in §41-13-10 Mississippi Code of 1972, as amended, owned in whole or in part by one or more counties or supervisor district. Participant is authorized to submit debts owed to it for collection under the Act, and Participant’s Board of Trustees has adopted a resolution, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, authorizing Participant to enter into this Agreement. DIS will submit debts to MS DOR on behalf of Participant, pursuant to this Agreement, the Act and procedures set out by MS DOR.

Based upon the foregoing, DIS and Participant do hereby enter into this agreement (the “Agreement”) for processing State income tax refund setoff requests for eligible debts due Participant under the following terms and conditions:

18. Participant hereby designates, appoints and authorizes DIS to process eligible delinquent debts to MS DOR pursuant to procedures established by DIS and agrees to comply with all applicable provisions of the Act and any procedures established by DIS for the submission of all eligible debts.

19. Both parties understand and agree that for purposes of this Agreement, an eligible debt is defined as any liquidated sum due and owing Participant which has accrued through contract, subrogation, tort, justice or municipal court conviction or any other debt regardless of whether there is an outstanding judgement for the sum, provided the amount due is at least \$50, individually or in the aggregate, is at least sixty (60) days delinquent on the date submitted to DIS, and has been property noticed and adjudicated by Participant as due and owed.

20. Participant understands and agrees not to submit for setoff any debt that is for less than \$50 (in the aggregate) and that is not at least sixty (60) days delinquent as of the date submitted to DIS. In submitting a debt to DIS, Participant shall certify that such debt meets the eligibility criteria set forth in this Agreement and the Act and that the setoff of such debt is in compliance with all other applicable State and federal laws and regulations. Participant further understands and agrees that DIS will not research or review the validity of a debtor’s personal information or the amount or type of debt submitted by Participant prior to submitting such debt to MS DOR and that Participant is responsible for ensuring that it only submits debts for State income tax refund setoff which meet the requirements of the Act, this Agreement and MS DOR rules and regulations and which will not be in violation of any other State or federal laws or regulations.

21. Participant designates _____ to serve as debt setoff coordinator (“Coordinator”). Coordinator shall be responsible for submission of all debts to DIS and for the implementation of this Agreement at the local level pursuant to the requirements of the Act and the procedures established by DIS. The Coordinator is the designated representative of Participant authorized to receive notices and communication from DIS and to ensure that the requirements of this Agreement and the Act are met. The Coordinator shall supply DIS with any and all information that in the opinion of DIS is necessary for the proper implementation of this Agreement. Participant shall notify DIS in writing within seven (7) days of any change in the Coordinator.

22. DIS agrees to provide Participant with certain information and tools necessary for proper debt submission including, at a minimum: (1) written procedures detailing the debt submission process; (2) a list of the type of debtor-related information that is required, such as name, Social Security number, and basis of the debt; and (3) template or file format data necessary for proper submission of eligible debts by Participant. DIS further agrees to update procedures and tools as necessary and, when changes are made, provide reasonable notice to Participant to implement required changes. DIS agrees to provide Participant with technical assistance in submitting debt information in the proper format.

23. Participant agrees that it may only utilize the information and tools provided by DIS pursuant to paragraph 5 of this Agreement for Program submissions and other Program requirements. Participant agrees to utilize the format specified by DIS to prepare all debt files and adjustments or updates to debt files that Participant certifies are owed to Participant and that Participant desires to have DIS submit to MS DOR for setoff.

24. Participant will not submit a debt to DIS for collection less than fourteen (14) days after the claim has been finally determined as provided in Mississippi Code § 27-7-811. Participant shall be solely responsible for sending the required written notice to a debtor that Participant intends to submit the debt owed by the debtor for collection by setoff. The notice shall explain the basis for Participant’s claim to the debt, that Participant intends to apply the debtor’s refund against the debt, and that a total collection assistance fee of twenty-five percent (25%) shall be added to the debt if it is submitted for setoff. The notice shall also inform the debtor that the debtor has the right to contest the matter by filing a request for a hearing with Participant, shall state the time limits and procedures for requesting a hearing and shall state that the failure to request a hearing within the required time will result in setoff of the debt. A debtor wishing to contest a proposed setoff shall file written request for a hearing with Participant within thirty (30) days after the date the notice of the proposed action is mailed to the debtor. A request for a hearing is considered to be filed when it is delivered for mailing with postage prepaid and properly addressed as required in the notice provided by Participant. If a debtor timely requests a hearing, the governing body of Participant or a person(s) designated by the governing body shall hold the hearing. In a hearing under Mississippi Code § 27-7-811, any civil or criminal issue that has been litigated in a court proceeding cannot be reconsidered. Appeals from the hearing shall be made to the circuit court in which the debtor resides and shall be reviewed on the administrative record made at the hearing before Participant. The standard review of such decisions shall be that established by State law pertaining to the review of all other administrative decisions made by political subdivisions.

25. DIS agrees to make an initial setoff submission to MS DOR by January 15, 2024. Both parties understand and agree that Participant shall submit all required information regarding any eligible debts to DIS no later than December 1, 2023 for inclusion in DIS's initial setoff submission to MS DOR.

26. For submissions received after December 1, 2023, DIS agrees to make subsequent debt submissions to MS DOR on a monthly basis, commencing February 15, 2024, and further agrees that the monthly submissions shall include all submissions received from any participants in the Program which have been received by the deadline set by DIS for inclusion in that monthly submission. Participant understands and agrees that DIS will only make debt submissions to MS DOR on a monthly basis, and in order to have debts included in the monthly submission to MS DOR, Participant shall submit all required information regarding any eligible debts to DIS no later than the prescribed deadline.

27. After a debt has been submitted to DIS for setoff, Participant shall provide written notice to DIS and MS DOR within five (5) business days of receiving payment, in part or in full, from a debtor on a previously submitted debt or from the date the Participant receives any notice of or becomes aware of a legal action staying the collection of the debt, including bankruptcy.

28. At the time of the transfer of funds to DIS, MS DOR shall notify the taxpayer or taxpayers whose State income refund is sought to be setoff that the transfer has been made. The notice shall clearly set forth the name of the debtor, the manner in which the debt arose, the amount of the debt, the transfer of funds to DIS pursuant to MS DOR regulation guidelines, the intention to setoff the refund against the debt, and the amount of the refund in excess of the claimed debt. Participant agrees that, in the event a debtor or joint filer is entitled to a return of all or any portion of monies setoff from his or her State income tax refund on behalf of Participant, Participant shall be responsible for returning said monies to the debtor or joint filer, including the amount of all administrative fees as provided in paragraph 13.

29. Both parties understand that MS DOR shall transfer to DIS any funds collected as setoff of a State income tax refund pursuant to debt submissions received from DIS on behalf of participants in the Program. Both parties further understand and agree that MS DOR shall regularly distribute reports to DIS detailing which refunds were setoff as a result of debt submissions received from DIS. Both parties agree that DIS shall distribute setoff funds received from MS DOR on a monthly basis. Both parties understand and agree that distribution will be made to participants in the program in the same order that funds are received from MS DOR based upon the reports received from MS DOR.

30. Participant understands and agrees that, pursuant to Mississippi Code § 27-7-811, DIS and MS DOR shall retain a collection assistance fee totaling twenty-five percent (25%) from each refund that is setoff on behalf of Participant. Both parties understand and agree that this fee shall not reduce the amount of the debt due to be paid to Participant but shall instead be an additional fee and first charge on any refund monies setoff from the debtor. Both parties also understand and agree that this fee shall be retained by DIS and MS DOR regardless of whether any monies setoff from a debtor's State income tax refund are returned to the debtor or a joint filer by Participant pursuant to paragraph 14.

31. Participant understands and warrants that by submission of any debt to DIS for setoff, Participant has complied with the terms of this Agreement and with all State and federal laws and regulations, including but not limited to the Act and the Patient Protection and Affordable Care Act, for the collection of debt. By signing this Agreement, Participant agrees to hold DIS free and harmless against any and all damages, claims, actions, injuries, liability or proceedings arising from the failure of Participant to so perform, to the extent allowed by law, and DIS shall not be responsible for or assume any liability for any mistakes made by MS DOR. Participant shall be responsible for the repayment of any sums received by it and/or retained by MS DOR and DIS pursuant to paragraph 13, including interest, penalties and court costs, to a debtor or joint filer in the event a court of competent jurisdiction rules that said repayment is due to a debtor or joint filer.

32. Both parties understand and agree that all information exchanged with each other and/or MS DOR pursuant to this Agreement and any procedures established for the implementation, operation or administration of the Program, including but not limited to printed, written, oral or computer-formatted information, shall be held in the strictest confidence, and shall be used solely for the business purposes that are the subject of this Agreement. Both parties shall maintain confidentiality of such information, not only during the course of the performance of this Agreement, but also following its termination. Participant shall be solely responsible for determining and utilizing the appropriate level of care in transmitting confidential information to DIS.

33. Both parties agree that this Agreement shall remain and continue in full force and effect from year to year until or unless modified or terminated in writing by either party upon ninety (90) days written notice to the other party. Upon termination of this Agreement all sums due and owing from either party to the other shall remain a lawful obligation of the party and be due and payable. Following termination of this Agreement, DIS shall erase all data files related to Participant from its debt setoff system.

34. This Agreement represents the full and final understanding of the parties with respect to the subject matter described herein and supersedes any and all prior agreements or understandings, written or oral, express or implied. This Agreement may be modified or amended only by a written statement signed by both parties.

Executed on this the _____ day of _____, _____.

Debt Intercept Services, LLC

By: _____

By: _____

Title: _____

Title: _____

Exhibit A

Participant Resolution

Sample Notice Letter to Debtor

Before submitting debts to DIS, the Program Coordinator must mail a notice letter to each debtor notifying the debtor of Participant's intention to intercept debtor's income tax refund. This is a sample letter that includes all statutory requirements for the notice letter.

[PARTICIPANT LETTERHEAD]

(Date)

Debtor's Name
Address
City, State Zip

According to our records, _____ ("Debtor") owes _____ ("Participant") a debt in the amount of _____ for: _____ (the "Debt"). As the Debt now exceeds sixty (60) days past due, Debtor is hereby notified that, in accordance with Mississippi Code §27-7-801 *et seq.*, the Debt will be submitted to the Mississippi Department of Revenue ("Department") to be collected against your Mississippi State Income Tax Refund. A total collection assistance fee of twenty-five percent (25%) shall be added to the debt if it is submitted for setoff.

If the amount of your refund is less than the Debt and the associated collection assistance fee, _____ (PARTICIPANT) may resubmit the remaining balance of Debt each year to the Department for setoff until the balance of the Debt and collection assistance fee are paid in full. Any Mississippi State Income Tax Refund in excess of the Debt will be issued to you by the Mississippi Department of Revenue.

If Debtor believes the Debt to be incorrect or invalid, Debtor may appeal the setoff of the Debt by submitting a **written** request for a hearing within thirty (30) days of the date of this notice.

The hearing request must contain **all** the following information: (1) Debtor's full name; (2) Address of primary residency; (3) valid phone number; (4) Social Security Number; (5) the type of debt being disputed; and (6) a detailed statement of all the reasons you disagree or dispute the debt.

Your written request for hearing must be mailed **within 30 days** of the date listed on this letter to:

Attention: _____, Program Coordinator

ADDRESS
CITY, STATE, ZIP

Debtor will be notified by the Debt Setoff Program Coordinator regarding the date, time, and place for the hearing. _____ PARTICIPANT shall conduct the hearing, and the decision reached at the hearing shall determine if the Debt is owed.

Failure to request a hearing as stated above means Debtor waives the opportunity to contest the setoff of the Debt.

If you have any questions regarding this matter or to pay the balance owed, please contact _____ (*Debt Setoff Program Coordinator*) at

_____.

Sincerely,

SIGNATURE OF PROGRAM COORDINATOR
NAME
TITLE
PHONE NUMBER
EMAIL ADDRESS