



Treasury Reports On Receivables

Changes to

Part 2 - Section D

Debt Disposition



UNITED STATES
DEPARTMENT OF
THE TREASURY



TROR - Part 2 - Section D – Debt Disposition

TROR Background

- Treasury has been collecting data on Government debt since the early 1980's
- TROR - developed in accordance with the Debt Collection Act of 1982 & Debt Collection Improvement Act of 1996 (DCIA)
- TROR - Treasury's only "comprehensive" means for periodically collecting data on the status and condition of Federal Government non-tax debt
- Information contained in the TROR is disseminated to:
 - ✓ Congress
 - ✓ OMB
 - ✓ Agency CFOs
 - ✓ Federal, State & Private Sector organizations
 - ✓ Public



TROR - Part 2 - Section D – Debt Disposition

Purpose For Changes

- **Enables Treasury to capture data of greater relevancy to Congress and OMB;**
- **Reduces reporting requirements for data that have minimal value for government-wide debt management purposes;**
- **Complies with April 19, 2004, Memorandum guidance from OMB establishing new reporting requirements for Federal agencies;**
- **Satisfies GAO audit recommendations;**
- **New information required from Federal agencies will provide FMS with current data on the write-off and close out of delinquent debts that have been identified as “not collectible”**



TROR - Part 2 - Section D – Debt Disposition

Previous Version

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		

TROR - Part 2 - Section D – Debt Disposition

New Version

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		

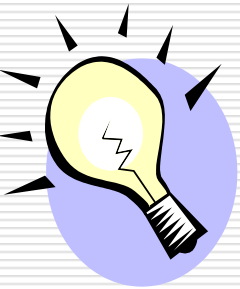
TROR - Part 2 - Section D – Debt Disposition

Line 1

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance		
(A) CNC Reclassified as Closed Out During the O		
(B) Total of CNC Debts Closed Out During Previ		
(C) Closed Out Debts Not Reported to IRS on 1		

The number and dollar amount of receivables that have been written off (removed from agency accounting records) and not closed out (reported to the IRS on IRS Form 1099-C). This line should equal the sum of Lines A through D of this Section.

*The amount for Line 1 should be a cumulative number representing all written off debt from the current and preceding **fiscal years** on which the agency is continuing to pursue collection action.*



TROR - Part 2 - Section D – Debt Disposition

Line 1A

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C		

The number and dollar amount of receivables that have been written off but are still pursued for collection by a private collection agency.

Line 1A balance is cumulative for all current and previous fiscal years.



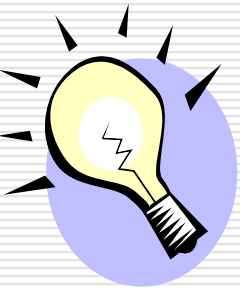
TROR - Part 2 - Section D – Debt Disposition

Line 1B

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current Year		
(B) Total of CNC Debts Closed Out During Previous Fiscal Years		
(C) Closed Out Debts Not Reported to IRS on Form 1099-C		

The number and dollar amount of receivables that have been written off, but whose collection is being pursued by a designated debt collection center, including Treasury, for cross-servicing.

Line 1B balance is cumulative for all current and previous fiscal years.

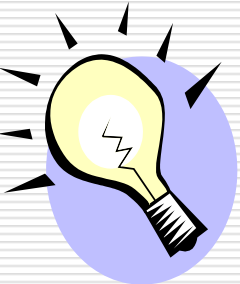


TROR - Part 2 - Section D – Debt Disposition

Line 1C

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		

The number and dollar amount of receivables that have been written off and referred to Treasury to be entered in the Treasury Offset Program delinquent debtor database.



Line 1C balance is cumulative for all current and previous fiscal years.

TROR - Part 2 - Section D – Debt Disposition

Line 1D

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C		

The number and dollar amount of receivables that have been written off and not included in lines 1A through 1C. Amounts reported on this line should be footnoted to explain "other" circumstances.

Line 1D balance is cumulative for all current and previous fiscal years.

"Other" circumstances may include:

- 1) Statute of Limitations does not cease, however no collection activity is currently taking place.**
- 2) Internal agency policy reason why debt is not closed out**



TROR - Part 2 - Section D – Debt Disposition

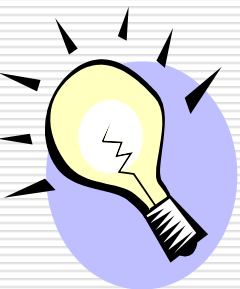
Line 2

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		

*-Agency 1099-C reporting to IRS always occurs in **February for the previous tax year.***

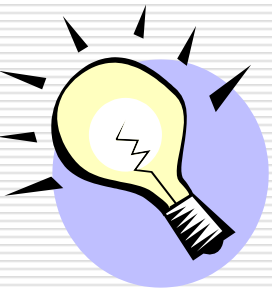
-Debts reported on this line have been written off and closed-out and all collection action has ceased, and the value of the debt has been filed as income to the debtor via IRS Form 1099-C.

*The number and dollar amount of the debt reported on Form 1099-C to the IRS as income to the debtor during the most recent tax year. The tax year is the IRS tax processing year. This line will represent that which is filed in February for the **previous tax year.***



TROR - Part 2 - Section D – Debt Disposition Line 3

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		



CY = Calendar Year

This information is reported on the tax year basis. All information reported in this section is to be cumulative by CY for tax reporting purposes. This information will assist in identifying compliance with IRS regulations.

TROR - Part 2 - Section D – Debt Disposition Line 3A

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
(D) Other - must footnote		
(2) Reported to IRS on Form 1099-C (Written Off and Closed Out)		
(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		

CNC = Currently Not Collectible

This line represents debt “closed-out” during the current calendar year (January – December).

*The cumulative number and dollar amount of debt for which all collection action has ceased. This debt is removed from the CNC category and closed out during the **current calendar year**.*

TROR - Part 2 - Section D – Debt Disposition Line 3B

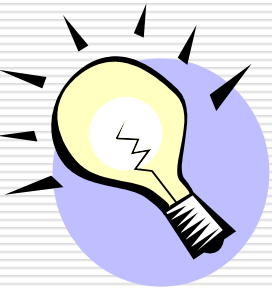
Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
(B) At Treasury or a Designated Debt Collection Center for Cross Servicing		
(C) At Treasury for Offset		
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(3) Disposition of Debts Closed Out by CY for Tax Compliance Purposes		
(A) CNC Reclassified as Closed Out During the Current CY		
(B) Total of CNC Debts Closed Out During Previous CY		
(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		

CY = Calendar Year

CNC = Currently Not Collectible

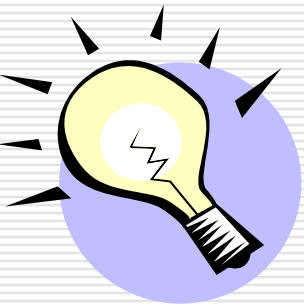
This line represents debts “closed-out” for the previous calendar year (January – December).

The cumulative number and dollar amount of debt for which all collection action has ceased. This debt is removed from the CNC category and closed out during the **previous calendar year**



TROR - Part 2 - Section D – Debt Disposition Line 3C

Section D Debt Disposition	Number	Dollar
(1) Currently not Collectible (Written Off and Not Closed Out)		
(A) At Private Collection Agencies		
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(C) Closed Out Debts Not Reported to IRS on 1099-C (must Footnote)		



*The reason(s) that these debts are not reported to the IRS, needs an explanation in detail in the **footnote section!***

*The cumulative number and dollar amount of debt for which all collection action has ceased, but **not** reported to the IRS. All debts should be reported to the IRS unless they either meet a legal or statutory exception that bars them from being reported as a closed out debt, or do not meet the appropriate IRS code.*



For further information contact:

Your DMS Agency Liaison

Listed @

<http://fms.treas.gov/debt/dmrpts.html>



UNITED STATES
**DEPARTMENT OF
THE TREASURY**





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Debt Management Governmentwide Reports

Monthly Update - July, 2004

- In order to meet the new OMB guidance on write-off and close-out, Debt Management Services will be changing the TROR reporting requirements for Part II, Section D-Debt Disposition for the 4th Quarter-FY 2004.
- FMS will provide technical guidance and training to your agency during the months of August and September 2004.
- Look for an e-mail from FMS later in the month for more information and guidance.

TROR DMS-Federal Agencies Contact Information

DMS ALRD Office: (202) 874-6660

DMS Contacts	Agencies: CFO/NON-CFO
Davenport, Debbie: Debbie.Davenport@fms.treas.gov	CFO: AID, DOJ, GSA, State, USDA; NON-CFO: EXIM, Farm Credit Admin, Legislative Branch-GAO, NARA, National Foundation Arts and Humanities, SEC.
Dungan, Tom: Tom.Dungan@fms.treas.gov	CFO: DOE, DOI, DOL, EPA; NON-CFO: EEOC, FCC, Funds Appropriated to the President, Office of Compliance, Other Agencies*.
Robinson, Fabienne: Fabienne.Robinson@fms.treas.gov	CFO: Commerce, ED, HUD, Treasury; NON-CFO: NCUA, OPIC, USPS.
Kobielus, Thomas: Thomas.Kobielus@fms.treas.gov	CFO: SSA; NON-CFO: Occupational Safety & Health Rev Comm, Smithsonian Institution, US Court of Veteran Appeals.
Lorelli, Matthew: Matt.Lorelli@fms.treas.gov	CFO: DOT, DHS.

Mims, Renea: Renea.Mims@fms.treas.gov	CFO: NASA, NRC, NSF; NON-CFO: FDIC, FEC, FLRA, FTC, Legislative Branch-Office of Tech., Library of Congress, NLRB, Office of Govern Ethics, OSC.
Prince, Terrence: Terrence.Prince@fms.treas.gov	CFO: DOD, HHS, VA; NON-CFO: CFTC, CPSC, Neighborhood Reinvest. Corp, PBGC, Peace Corp, RRB.
Williams-Jefferson, Shirley: Shirley.Williams-Jefferson@fms.treas.gov	CFO: OPM, SBA; NON-CFO: CNCS, Legislative Branch-GPO, MLK Holiday Comm, MSPB, TVA.
*Other Agencies: Advisory Counce On Historic Preservation, Archit. & Transport. Barriers Compliance Bd, Broadcasting Board of Gov., Chemical Safety Board, Commission on Civil Rights, Commission On Fine Arts, Federal Housing Finance Board, Federal Mine Safety & Health Review Comm, US Holocaust Memorial Council, etc.	

TROR Quarterly Reporting Change

To All TROR Preparers:

Please be advised that, starting with the second quarter of fiscal year 2004, reporting on the Treasury Report On Receivables (TROR) will be required *quarterly* for *all* TROR reporting entities. **The TROR reporting threshold of \$50 million or less for the 4th quarter reporting is eliminated, effective the second quarter of FY 2004.** Treasury is making this change in order to more thoroughly monitor and evaluate agency referral and collection performance, as well as to detect referral and reporting problems earlier.



- [2003 TROR Verification](#) 
- [2003 TROR Certification](#) 
- [Fiscal Year 2004 Reporting Schedule](#)
- [Report Administrators](#)







Report on Receivables Due From the Public

The final revised Receivables Report captures data relevant to provisions in the DCIA; incorporates U.S. General Accounting Office recommendations; includes survey results from current reporting entities on the usefulness of existing data; and encompasses the recommendations of the interagency task group.

Receivables Report Information in Various Formats

The following tools are available for CFO verifiers, preparers, and analysts working with the Report on Receivables:

Documentation	
 	Entire Revised Receivables Form and Instructions, updated: May, 2004 (PDF, MS Word)

	Sections in PDF: Introduction; Verification Instructions; and Form Identification and Preparer Information (PDF)
	Part I: Status of Receivables
	Part II: Debt Management Tools and Technique Performance Data
	Part III: Footnotes; Glossary
Sample Report and Definitions	
Sample Report	A Receivables Report with links from each line to data field definitions
Online Workbook	The instructional workbook in HTML format (in process of updating)
 (MS Word 124KB)	Write-Off Policy (Revised at a later Date)
View PDFs via Adobe Acrobat 	Adobe Acrobat Reader Software


Fiscal Year 2004 Reporting Schedule

Note: The Treasury Report on Receivables is transmitted by Federal Agencies via the Internet using the Debt Management Information System (DMIS) based on the following schedule.

Status	Fiscal Year	Quarter*	Open Date	Close Date
Closed	FY 2004	1st	Jan 15, 2004	Jan 30, 2004
Closed	FY 2004	2nd	Apr 15, 2004	Apr 30, 2004
Closed	FY 2004	3rd	Jul 15, 2004	July 30, 2004
Closed	FY 2004	4th	Oct 15, 2004	Nov 15, 2004
* FMS is requesting that all federal agencies report quarterly.				

For TROR user access during the established reporting timeframe, please contact: **Steve Jacobs, Phone: (205) 912-6205; Fax: (205) 912-6444; E-mail: steve.jacobs@fms.treas.gov**. All other inquiries, please contact your agency liaison listed at [TROR DMS-Federal Agencies Contact Information](#).

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