

# Collection Division

Presenter:

Bobby Tucker, Chief

# Responsibility



- ...to collect promptly as required by District of Columbia law;
- ...to encourage future compliance with the law, and,
- ...to provide accurate, timely and courteous customer service.

# Division Breakdown

## ▣ Field Units

### ■ Key Areas:

- ▣ Canvassing
- ▣ Sales Tax Certificate Seizures
- ▣ General Seizures
- ▣ Offer-in-Compromise
- ▣ Judgments
- ▣ Internet Listing



# Division Breakdown Cont.



## □ Specialty Units

### ■ Key Areas:

- CP 2000 and Revenue Agent Reports (IRS)
- Individual and Business Installment Agreements
- Bulk Sales
- Special Events
- Taxpayer Delinquent Investigations (Business)
- Non-Filer Program (Individual Income)



# Field Groups - Canvassing

- Revenue Officers conduct field visits to ensure taxpayer compliance and or taxpayer registration with OTR.
  - Field Group Canvassing enhances collections by allowing taxpayers an option to pay outstanding taxes due directly to the Revenue Officer.
  - Serves as a reminder that returns are due.



# Seizure of Sales Tax Certificates

- Seizure of Sales Tax Registration Certificates in lieu of full scale seizure.
  - Merchant cannot operate.
  - Prohibits taxpayers from continuing sales in the District of Columbia until tax issues are resolved.

# Property Seizure

- ▣ Seizure of real and personal property from taxpayers and third parties.
  - Jeopardy seizure
    - ▣ Questionable assets
    - ▣ Threat of relocation



**A seizure is often the last resort**

# Outsource and Discovery Program



**The Outsource Initiative was implemented to target aged delinquent cases. Vendors are contracted by OTR to notify and collect in these cases.**

**The following vendors perform these services:**

- **RSI-E, LLC**
- **MuniServices, LLC**

# Vendor Offset Initiatives

- ▣ **District Offset Program**
  - Vendor owing taxes in excess of \$34.95
  - Payments are intercepted until balance is .0
- ▣ **State-to-State Offset Program**
  - Maryland
- ▣ **Federal Offset Program**
  - Income Tax refunds
  - Tier II-All federal payment except salary





# Collection Fee

- ▣ **ASSESSMENT OF COLLECTION FEE**
  - Collection fee assessed on unpaid balances owed for a period of 90 days or more and that have not been referred to a collection agency.
  
- ▣ **Fees**
  - 20% as of October, 1 2010.

# Offer In Compromise

- When a taxpayer wants to satisfy a debt by offering less than the amount owed the following are considered:
  - COLLECTIBILITY;
  - LIABILITY; or
  - BOTH





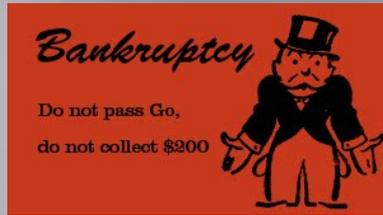
# Judgement

- A judgement is a court order against the debtor to pay the creditor what is due.
  - Judgments can impact credit and or bond ratings.
- All judgements may become a lien on Real Property of a judgement debtor for up to 12 years upon filing a recording thereof at the Office of Recorder of Deeds or any court of public records. (D.C. 15-102.)

# Judgments continued



- Reasons to File:
  - Debtor has moved to another state, and there are no assets to satisfy the judgment in the original judgment state.
  - The debtor may not have moved, but there are assets to satisfy the judgment in another state.
  - A judgment is filed after an organization has exhausted all administrative collection tools.



# Specialty Unit

## ▣ Bankruptcy

- The District of Columbia maintains a priority claim over all creditors for Sales taxes regardless of when the creditor has filed a claim.
  - ▣ Chapter 7- In general discharges income tax debt only.
  - ▣ Chapter 11- In general, confirmation of the plan discharges debtor from any debt that arose before the date of confirmation. After the plan is confirmed the debtor is required to make plan payments and is bound by the provisions of the plan.



# Bulk Sale and Registration

- Code Section 47-2022
  - Purchaser of an existing business must notify OTR of the sale and its terms within 15 days.
  
- Failure to notify OTR can result in:
  - The purchaser inheriting the seller's debt even if the debt is undisclosed to the seller.

# Bulk Sale and Registration cont'd



- Purchaser cannot operate with the previous owners Federal Employer Identification Number
- Purchaser must file FR-500 – Combined Business Tax Registration Application to identify all tax obligations
- Seller's returns and taxes must be filed and paid timely to be in full compliance.

# Certificate of Clean Hands OTR Website

The screenshot shows the OTR website interface. At the top, there is a navigation bar with links for "311 Online", "Agency Directory", "Online Services", and "Accessibility". Below this is the DC.gov logo and a search bar. The main heading is "Office of Tax and Revenue". A red banner at the top of the content area reads "Heat Emergency - A heat emergency is in effect for Washington, DC. Residents are urged to take precautions against the heat. Find cooling centers, spray parks and more information about heat emergencies."

The navigation menu includes: Home, Services, Individual Income Tax, Business Tax, Real Property, Recorder of Deeds, Forms, Customer Survey, and About. The "Business Tax" menu is expanded, showing options like "Login for Existing eTSC Business Users", "New Business Registration", "eTSC Account Maintenance", "EFT Payment Guide", "Tour the eTSC", "Interest Calculator", "IRS Employer Identification Number (EIN) Application", "Professional Baseball-related Fees and Taxes", "Certificate of Clean Hands - Online", "Certificate of Clean Hands - Email", "Combined Reporting for Business Entities", "Common Errors of Business Taxpayers", "Electronic W-2 Filing Instructions", and "Estimated Tax Penalty - Businesses". The "Certificate of Clean Hands - Online" option is highlighted.

The main content area features a large image of a Visa Prepaid Card. Text below the card states: "Cards are issued by Citibank, N.A. pursuant to a license. This card can be used everywhere Visa is accepted." Below this, it says "©2013 Citibank, N.A. All rights reserved. Citi and Citi are trademarks of Citigroup Inc. All other trademarks are the property of their respective owners."

At the bottom of the page, there are three sections: "Status of Your Refund", "DC Freefile", and "Tax Law and Guidance".

# Home Page

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



## Citywide Clean Hands (CCH)

Home

Compliance

Help

About

Contact Us

**Disclaimer:** The tax information being transmitted on this website is confidential and prohibited from use by anyone other than the taxpayer accessing it. Use of the information by anyone other than the taxpayer accessing it may be subject to penalty.

### How to obtain a Clean Hands Certificate? - It's Quick, Easy and Secure.

#### Step 1

##### What you need...

- Social Security Number, or Employer Identification Number
- One of following Tax Return Types filed from two (2) years prior to the current year:  
D-20 , D-30, D-40 or D-40EZ
- DC Adjusted Gross Income, or Gross Receipts, minus returns and allowances
- First four characters of Last name and House Number for SSN
- Business start Month and Year and Business Zipcode for EIN

#### Step 2

##### How...

- A Clean Hands Certificate may be obtained from any computer with Internet access. (Printing certificate requires PDF reader capability). You can download it [here](#).
- Obtain your Clean Hands Certificate by clicking [here](#).

[Privacy and Security](#)

# Compliance Page: EIN: Tax Information

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



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\* Required Fields

ID Type:  SSN  EIN \*

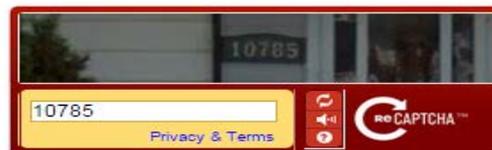
ID Number:  \*

Select one of these Options for Verification:  Tax Information  Profile Information \*

Tax Return Type:  \*

Gross Receipts (\$):  \*

Reason for Applying:  \*



[Privacy and Security](#)

# Compliance Page: EIN: Profile Information

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\* Required Fields

ID Type:  SSN  EIN \*

ID Number:  \*

Select one of these Options for Verification:  Tax Information  Profile Information \*

Business Start Date:  \*

Business Zip Code:  \*

Reason for Applying:  \*



[Privacy and Security](#)

# Compliance Page: SSN: Tax Information

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\* Required Fields

ID Type:  SSN  EIN \*

ID Number:  \*

Select one of these Options for Verification:  Tax Information  Personal Information \*

Tax Return Type:  \*

DC Adjusted Gross Income (\$):  \*

Reason for Applying:  \*



[Privacy and Security](#)

# Result Page: Compliant Status

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



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Based on your combined DC Agency debt, your overall compliance status is:

### Compliant

9/3/2015 8:06:25 AM

Name:  SSN:

Address:

City:  State:  Zip:

You can print your CCH compliant status certificate by clicking on the button below

Thank you for visiting the site!  
Feel free to leave us any additional feedback by clicking [here](#)

# Certificate of Clean Hands in PDF format

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF TAX AND REVENUE



CERTIFICATE OF CLEAN HANDS

SHEBA YOUNG  
101 Q ST NW APT 103  
WASHINGTON DC 20001

SSN : \*\*\*\*\*7833

As reported in the Citywide Clean Hands system, the above referenced individual or entity has no outstanding liability with the District of Columbia. As of the date herein, you have complied with the following official DC code and therefore are issued this Certificate of Clean Hands.

Title 47, TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES  
CHAPTER 28, GENERAL LICENSE LAW  
SUBCHAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT  
D.C. Code § 47-2862  
§ 47-2862. Prohibition against issuance of license or permit.

Authorized by:



Bobby Tucker

Compliance Administration  
Chief, Collection Division

Dated: Thursday this 3<sup>rd</sup> day of September 2015 08:06  
AM

Tracking #: 319959 can be verified at (Official use only)  
<https://ocfoservices.dc.gov/cch/VT/VerifyTracking.aspx>

This document is a certified, complete and true copy.

# Verify Tracking: Found Compliant

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



## Citywide Clean Hands (CCH)

\* Tracking Number:



Verify

Reset

Tracking # **Found Compliant**

Certificate Issue Date: 9/3/2015 8:06:25 AM

# CCH Result Page: Non Compliant Status (with Two Agencies)

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



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Based on your combined DC Agency debt, your overall compliance status is:

**Non Compliant**

9/4/2015 12:21:29 PM

Name:  EIN:

Address:

City:  State:  Zip:

You can print your CCH compliant status certificate by clicking on the button below

[Print Non Compliance](#)

Compliant?	Agency	Agency Address	Contact Number
No	Office of Tax and Revenue	1101 4th Street SW, Suite W270 Washington DC 20024	202-724-5045
No	Department of Employment Services	4058 Minnesota Avenue, NE Washington DC 20002	202-698-7550

Thank you for visiting the site!  
Feel free to leave us any additional feedback by clicking [here](#)

# Print Preview: Non Compliant

9/4/2015 Result

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



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Based on your combined DC Agency debt, your overall compliance status is:

**Non Compliant**

9/4/2015 12:21:29 PM

Name:  EIN:

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Thank you for visiting the site!  
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# Apply CCH certificate via email

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



## Citywide Clean Hands (CCH)

I am hereby requesting a Clean Hands Certificate for the following entity:

<b>Entity Name:</b> <input type="text" value="Enter Name"/>	<b>Address :</b> <input type="text" value="Enter Address"/>
<b>FEIN/SSN:</b> <input type="text" value="407113333"/>	<b>Email:</b> <input type="text" value="test@test.com"/>
<b>Telephone Number:</b> <input type="text" value="ex: 7032223333"/>	<b>Attach :</b> <input type="button" value="Choose File"/> No file chosen
<b>Title:</b> <input type="text"/>	<b>Requestor:</b> <input type="text"/>
<b>Date:</b> <input type="text" value="MM/DD/YYYY"/>	<b>Referred By:</b> <input type="text" value="-- Select --"/>

How would you like to receive your certification? \*  Pick-Up ([Get directions](#))  Mail

CCH requests will be held for thirty (30) days from... [more](#)

How many copies of the certificate are being requested?  \*



Type the text

[Privacy & Terms](#)



# Tracking # Not Found

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



## Citywide Clean Hands (CCH)

\* Tracking Number:



Verify

Reset

Tracking # **Not Found**  
Certificate is **INVALID**. Please notify your manager.

# Help Page

Help | CCH - Google Chrome

https://ocfoservices.ocfo.dc.gov/Help.aspx

Government of the District of Columbia  
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Office of Tax and Revenue



## Citywide Clean Hands (CCH)

› What is SSN / EIN ?

› What is ID Number ?

› What is Tax Information or Personal Information/Profile Information?

You can verify the status for both SSN/EIN either using Tax information or Personal Information.

For example:

- Tax Information is Tax Return type and DC Adjusted Gross Income or Gross Receipts
- Personal Information is First Four characters of Last Name and House number for SSN.
- Profile Information is Business Start month and Year and Business Zipcode for EIN

› What is Tax Return Type ?

› What is DC Adjusted Gross Income/Gross Receipts?

› What is Reason for Applying ?

› What is Captcha?

› How to Contact Us?

# Contact Us Page

Government of the District of Columbia  
Office of the Chief Financial Officer  
Office of Tax and Revenue



## Citywide Clean Hands (CCH)

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### Contact Us

Get in touch with us through email, phone or in person.



**Email:**

[CleanHands.Cert@dc.gov](mailto:CleanHands.Cert@dc.gov)



**Phone/Fax:**

Phone: (202) 724-5045

Fax: (202) 442-6885



**Address:**

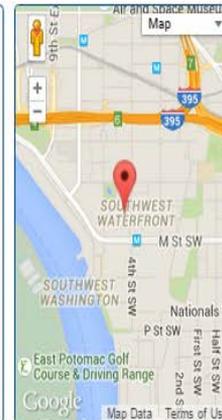
Office of Tax and Revenue  
1101 4th Street, SW, Suite  
W270

Washington, DC 20024

Hours of Operation:

8:15 am - 5:30 pm

[Get directions](#)



# Special Events

- ❑ **VENDORS** - participating in these events are liable to file and pay sales tax on items sold during the event. It is the responsibility of the vendor to file a form 800SE following the event.
- ❑ **PROMOTERS** - are responsible for the vendors reporting their sales tax made during the event.



# Vendor FILING METHOD-PAPER

Each OTR registered **street or mobile food services vendor** will receive a tax booklet with the personal information completed. Use these forms to ensure timely processing.

Samples of completing a tax return are on the following pages.

- 1) 5.75% sales tax due less than minimum tax (Sample Scenario #1)
- 2) 10% sales tax due and amount is greater than \$375 (Sample Scenario #2)
- 3) 10% sales tax due and amount is less than \$375 (Sample Scenario #3)
- 4) No 5.75% or 10% sales tax due (Sample Scenario #4)

SPECIAL  
EVENT



# Web Page

Visit our Web page at [www.taxpayerservicecenter.com](http://www.taxpayerservicecenter.com) to learn more about:

- Forms
- Procedures
- FAQ's
- Contact Information



# Contact Information

- ▣ Please feel free to contact any of us at:
  - ▣ Bobby Tucker – 202-442-6621
  - ▣ Rosalyn Lewis – 202-442-6822
  - ▣ Doris Faulkner – 202-442-6847



Thank

You