

DEPARTMENTAL REGULATION		Number: DR 2100-2
SUBJECT: Taxpayer's Identification Numbers	DATE: Feb. 12, 1997	
	OPI: Office of the Chief Financial Officer	

1 PURPOSE

This regulation prescribes Departmental policy requiring agencies to provide Taxpayer Identification Numbers (TINS) on all requests for payments and on discharges of indebtedness.

2 BACKGROUND

A recent audit indicated that agencies of the Department of Agriculture are not complying fully with Internal Revenue Service (IRS) Form 1099 reporting requirements. Agencies do not always properly code administrative payments and are not reporting all discharges of indebtedness to IRS. This is due, in part, to agencies failure to secure TINS from vendors and clients. TINS must be provided on all requests for payments and discharges of indebtedness. In addition to complying with IRS reporting requirements, implementation of this policy will: (1) increase the collection of delinquent debts owed by all debtors (including corporations) using the Treasury Offset Program authorized by the Debt Collection Improvement Act of 1996; and (2) assure that all payments over \$600 (except those to corporations) and all discharges of indebtedness are reported to IRS.

3 AUTHORITIES

- a Treasury Bulletin No. 95-10, Volume I, dated August 18, 1995, extended through September 30, 1997, pursuant to Treasury Bulletin No. 97-01, Volume I, dated October 1, 1996.
- b Debt Collection Improvement Act of 1996.
- c Debt Collection Act of 1982.
- d Federal Claims Collection Act of 1966 (as amended).
- e Office of Management and Budget Circular A-129 (Revised), Policies for Federal Credit Programs and Non-Tax Receivables, January 1993.
- f Federal Claims Collection Standards (General Accounting Office - Department of Justice).

4 DEFINITIONS

Delinquent Debt represents the failure of a debtor to pay when due an amount of money or property which has been determined by an appropriate official to be owed to the Government by an individual, organization, or entity.

Corporation is a body of persons granted a charter legally recognizing them as a separate person having its own rights, privileges, and liabilities distinct from those of its members.

Taxpayer Identification Number is a unique identifier assigned to all individuals and businesses that file tax returns in the United States in accordance with Section 6109 of Title 26, United States Code. For individuals, the Social Security Number serves as the TIN; for businesses, the Employer Identification Number serves as the TIN.

5 RESPONSIBILITIES

- a The Office of the Chief Financial Officer is responsible for establishing Departmental policy and monitoring agency compliance with TIN requirements.

b Agencies will be responsible for:

.(1) Obtaining Taxpayer Identification Numbers (TINs)

Each agency must require all individuals and entities (including corporations) doing business with it to furnish their taxpayer identifying numbers (TINs).

Each agency must disclose to individuals or entities required to furnish TINs its intent to use such numbers for purposes of collecting and reporting on any delinquent amounts arising out of the relationship of such individuals or entities with the Government.

(2) Providing Taxpayer Identification Numbers (TINs)

Each agency must provide TINs on all requests for payments (including those to corporations) and on all discharges of indebtedness.