

GENERAL INFORMATION SYSTEM
DIVISION: Employment & Transitional Supports

October 26, 2006

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TO: Commissioners; TA Directors; and Fraud Coordinators

FROM: Russell Sykes, Deputy Commissioner, Division of Employment and Transitional Supports

SUBJECT: 1099 Computer Matching for TANF Recipients

EFFECTIVE DATE: Immediately

CONTACT PERSON: TA Policy - Greg Nolan - Temporary Assistance Bureau at 1-800-343-8859, extension 4-9101

This is to notify districts that the 1099 computer matching process outlined in 06 ADM-2 has commenced as of September 2006. The Office of Temporary and Disability Assistance (OTDA) has recently received the initial returned computer match file from the Internal Revenue Service (IRS) containing information pertaining to Temporary Assistance to Needy Families (TANF) recipients that have received a 2005 1099 form from the IRS.

The initial number of matches remaining after the screening edits were applied was higher than expected. OTDA has initiated efforts to verify the federal tax information contained in the data provided by the IRS. When confirmed data is determined to have a potential for case impact it will be forwarded via email to the IEVS 1099 Coordinator for the district. This verification may take several different forms. Often, it will be a scanned document that will be one of the two forms attached to 06 ADM-2: either the Bank Verification Response Form (OTDA-4852A) or the Income/Assets Verification Response Form (OTDA-4852B). However, some vendors (financial institutions) have chosen to verify assets or income in another fashion. So, in these instances the scanned document attached to the email may be in the form provided by the institution or may simply be included in the text of the email and no document attached.

When the State emails the data verification to the district, it is required to assess the necessary case action and initiate appropriate action. Note that this emailed verification is not considered federal tax information (FTI) at this point and therefore is not subject to the special security and safeguard constraints that come with the handling of FTI.

Districts may or may not already have documentation on file of the income or asset verification that OTDA has forwarded. District staff may need to contact the source of the resource/income information or require the client to provide additional information if the data available from this initial IRS generated lead is not sufficient to take case action. Districts are required to follow up on forwarded data to initiate appropriate case action within 45 days of the date the verified information is received by the district.

Districts may contact the Secure Room directly at (518) 408-3001 or 408-3099 with processing or program issues related to 1099 matching and ask to speak with Terri Wade or Kim Heroth.