

## § 1650.112

balance of the debt against any financial payment due the employee from the U.S. Government.

### **§ 1650.112 Interest, penalties, and administrative costs.**

Unless a debt is paid in full within 30 days of receipt of the Notice of Debt, the Commission will charge interest at the rate established in accordance with 31 U.S.C. 3717 effective on the date of delinquency, and a processing charge pursuant to 31 U.S.C. 3717. The Commission will charge a penalty, pursuant to 31 U.S.C. 3717(e)(2) not to exceed 6 percent a year, on the amount due on a debt that is delinquent more than 90 days. This charge shall accrue from the date of delinquency. If an employee files a timely proposal for a repayment agreement, request for waiver, or a request for a hearing, interest, penalties, and administrative costs will be suspended during the time the Commission is considering such request(s).

### **§ 1650.113 Non-waiver of rights by payments.**

An employee's payment of all or any portion of a debt collected by salary offset will not be construed as a waiver of any right the employee may have under 5 U.S.C. 5514 or any other provision of contract or law, unless there are statutory or contractual provisions to the contrary.

### **§ 1650.114 Refunds.**

Amounts paid, or deducted by salary offset, by an employee for a debt that is waived or otherwise not found owing to the United States will be refunded promptly to the employee. Refunds do not bear interest unless required by law or contract.

## **Subpart B—Procedures for the Collection of Debts by Federal Tax Refund Offset**

### **§ 1650.201 Purpose.**

This subpart establishes procedures for EEOC to refer past-due legally enforceable debts to the Department of the Treasury (Treasury) for offset against the income tax refunds of persons owing debts to EEOC pursuant to 31 U.S.C. 3720A and 31 CFR 285.2. The general standards and procedures gov-

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erning the collection, compromise, termination, and referral to the Department of Justice of claims for money and property that are prescribed in the regulations issued jointly by the Secretary of the Treasury and the Attorney General of the United States, the Federal Claims Collection Standards (31 CFR parts 900–904), apply to the administrative collection activities of the EEOC.

### **§ 1650.202 Past-due legally enforceable debt.**

A past due, legally enforceable debt is a debt:

- (a) That accrued within ten years of referral to Treasury;
- (b) That is at least \$25.00; and
- (c) That the agency has made reasonable efforts to collect by:

- (1) Submitting the debt to Treasury, Financial Management Service, for collection by Administrative Offset and complying with 31 U.S.C. 3716(a) and related regulations, to the extent that collection by administrative offset is not prohibited by statute;

- (2) Notifying, or making a reasonable attempt to notify, the debtor that the debt is past-due, and unless repaid within 60 days after the date of the notice, will be referred to Treasury for tax refund offset;

- (3) Giving the debtor at least 60 days from the date of notification to present evidence that all or part of the debt is not past-due or legally enforceable, considering any evidence presented by such debtor, and determining that an amount of such debt is past-due and legally enforceable; and

- (4) Providing the debtor with an opportunity to make a written agreement to repay the amount of the debt.

### **§ 1650.203 Notification of intent to collect.**

EEOC's notification of intent to collect by tax refund offset shall provide:

- (a) The amount of the debt;
- (b) That unless the debt is repaid within 60 days from the date of EEOC's notification of intent, EEOC intends to collect the debt by requesting Treasury to offset an amount equal to the amount of the debt and all accumulating interest and other charges against any overpayment of tax after