

## 15 CHAPTER: LOCAL UNCOLLECTIBLE INFORMATION

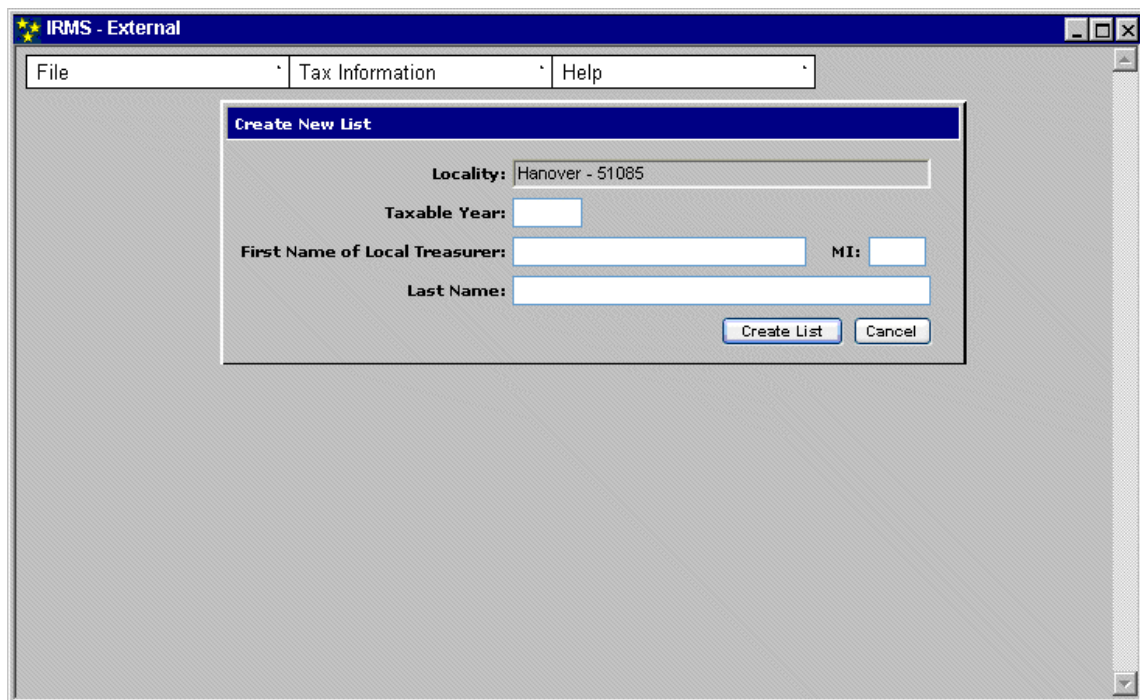
For locally filed tax due returns that have not been paid in full, local treasurers collect the outstanding tax due and calculate the penalty and interest for outstanding liabilities until the end of the calendar year. After December 31<sup>st</sup>, you can send your Local Uncollectibles to TAX for collection. There are several functions involved in this process:

- Make a new list of Local Uncollectibles
- Add a taxpayer to an existing list
- Update a taxpayer record on an existing list
- Delete a taxpayer from an existing list
- Print the list before submission
- Submit the list of Local Uncollectibles to TAX.

### Create New List Window

Before you can enter your uncollectible debts, you will have to create a list record in IRMS, and then you can enter each uncollectible debt one at a time.

The illustration below is the Create New List window.



The screenshot shows a window titled "IRMS - External" with a menu bar containing "File", "Tax Information", and "Help". A "Create New List" dialog box is open in the center. The dialog box has a title bar and contains the following fields and buttons:

- Locality:** Hanover - 51085
- Taxable Year:** [Empty text box]
- First Name of Local Treasurer:** [Empty text box]
- MI:** [Empty text box]
- Last Name:** [Empty text box]
- Buttons:** "Create List" and "Cancel"



The table below lists the fields in the Local Uncollectible Entry window – Customer Information tab, and provides a brief description of each.

<b>Field</b>	<b>Field Type</b>	<b>Description</b>
Tax Type:	Required	Individual Income is the default selection for the Tax Type.
SSN:	Required	Individual Social Security Number. Either a SSN or a FEIN is required.
FEIN:	Required	The FEIN (Federal Employer Identification Number) for the Fiduciary.
Primary First Name	System Generated	The Primary Name on the tax return.
Primary Middle Initial	System Generated	The Primary Name on the tax return.
Primary Last Name	System Generated	The Primary Name on the tax return.
SSN	System Generated	The SSN of the Primary Name on the tax return.
Secondary First Name	System Generated	Second name on the tax return.
Secondary Middle Initial	System Generated	Second name on the tax return.
Secondary Last Name	System Generated	Second name on the tax return.
SSN	System Generated	SSN of the Second name on the tax return.
Street	System Generated	Street address of the Primary name on the tax return.
City	System Generated	City of the Primary name on the tax return.
State	System Generated	State of the Primary name on the tax return.
Zip	System Generated	Zip Code of the Primary name on the tax return.

The illustration below is the Local Uncollectible Entry window – Local Uncollectible Entry tab.

The table below identifies the fields in the Local Uncollectible Entry window – Local Uncollectible Entry tab. The outstanding uncollected amounts of the Local Commissioner’s assessment and the Treasurer’s penalty and interest (as of December 31<sup>st</sup>) are entered in the “Balance of Local Commissioner’s Initial Assessment” fields on the left side of the tab. Any payments collected in January are entered in the “January Collections” fields on the right side of the tab.

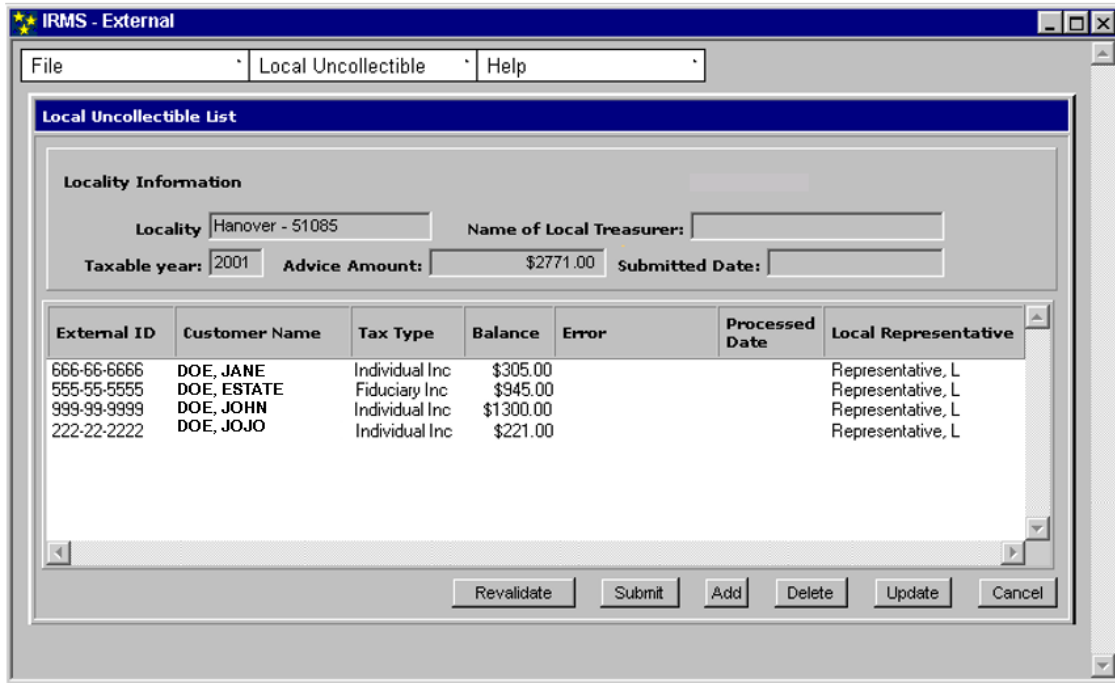
Field	Field Type	Description
Uncollected Original Tax	Required	Uncollected tax amount assessed by the Local Commissioner.
Outstanding Late Filing Penalty	Required	Uncollected late filing penalty assessed by the Local Commissioner.
Outstanding Interest	Required	Uncollected interest calculated by the Local Commissioner.
Outstanding Addition to Tax 760C/F	Optional	Uncollected 760C or 760F addition to tax assessed by the Local Commissioner. Required if applicable.
Outstanding Extension Penalty	Optional	Uncollected penalty due to an extension assessed by the Local Commissioner. Required if applicable.
Outstanding Commissioner’s Balance	System Generated	Sum of the uncollected amount assessed by the Local Commissioner.

<b>Field</b>	<b>Field Type</b>	<b>Description</b>
Uncollected Late Payment Penalty	Required	Amount of Treasurer's late payment penalty that has not been collected.
Uncollected Interest	Required	Amount of Treasurer's interest that has not been collected.
Total Uncollected Assessment (12/31)	System Generated	Amount of the Total Balance remaining uncollected as of December 31.
Jan Collected Original Tax	Optional	Amount of tax collected in January of the current year. Required, if applicable.
Jan Collected Penalty	Optional	Amount of penalty collected in January of the current year. Required, if applicable.
Jan Collected Interest	Optional	Amount of interest collected in January of the current year. Required, if applicable.
Jan Collected Addition to Tax 760C/F	Optional	Amount of additional tax collected in January of the current year. Required, if applicable.
Jan Collected Extension Penalty	Optional	Amount of extension penalty collected in January of the current year. Required, if applicable.
Total Jan Collection	System Generated	Total amount of all January collections.
Uncollectible Balance	System Generated	Total amount owed.
Assmnt Sheet Pg	Optional	
Assmnt Sheet Line	Optional	
Item Number	Optional	
Date of Assessment	Required	Defaults to May 1 <sup>st</sup> of the year after the tax year. The date may be changed to a later date if the tax return was received and assessed at a later date.

### Local Uncollectible List Window

The Local Uncollectible List window displays a list of the taxpayers for whom an Uncollectible Entry has been made, including the one you just completed. Each entry is listed with summary information about the taxpayer and the debt. This window also includes information about your Locality.

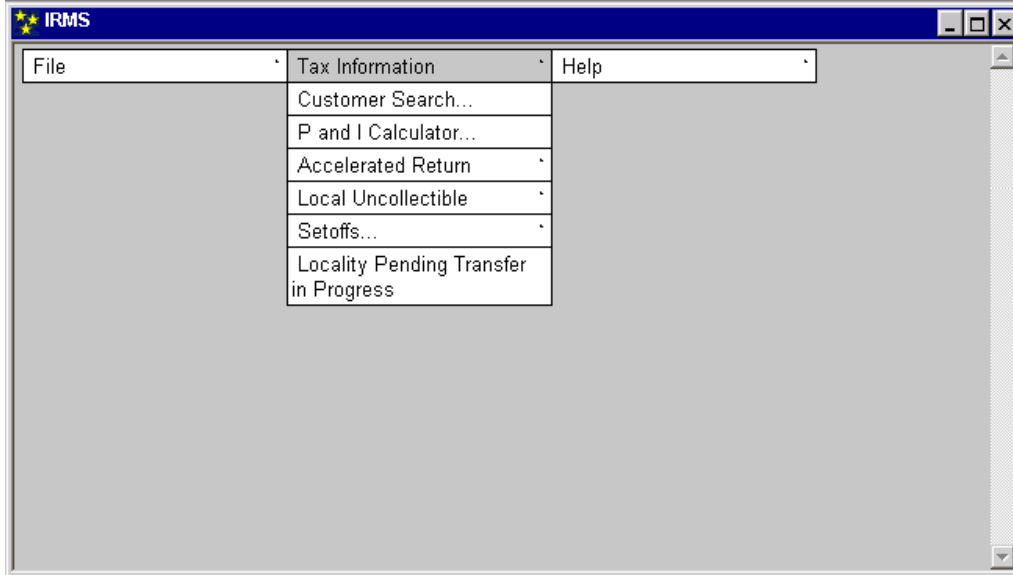
The illustration below is the Local Uncollectible List window with multiple entries.



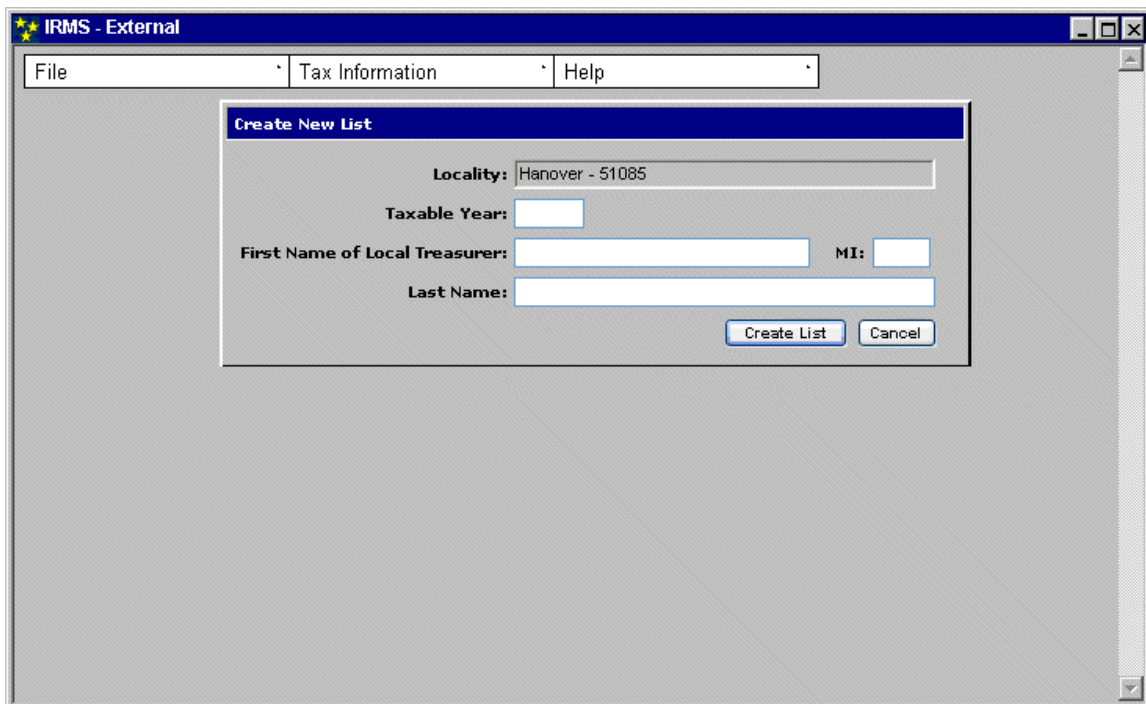
Field	Field Type	Description
Locality	System Generated	Name and FIPS Code for your locality.
Name of Local Treasurer	System Generated	Name of treasurer.
Taxable Year	System Generated	Year of the return.
Advice Amount	System Generated	Total of the Commissioner amounts listed for each taxpayer as of December 31 less January payments of Commissioner amounts.
Submitted Date	System Generated	Date the uncollectible list was submitted.
External ID	System Generated	SSN or FEIN of the taxpayer.
Customer Name	System Generated	Name of the taxpayer.
Tax Type	System Generated	Type of tax the uncollectible is for.
Balance	System Generated	Amount to be collected.
Error	System Generated	
Processed Date	System Generated	Date uncollectible was added to the list.
Local Representative	System Generated	Name of the Representative that added the uncollectible to the list.

## 15.1 Create a Local Uncollectible Entry from a New List

You must create a new list before you can enter local collectible information. From the Create New List window, you will be able to access the Local Uncollectible Entry window to enter uncollectible information.



**Step 1:** From the IRMS Main window, select **Tax Information: Local Uncollectible: Create New List**. The Create New List window displays.







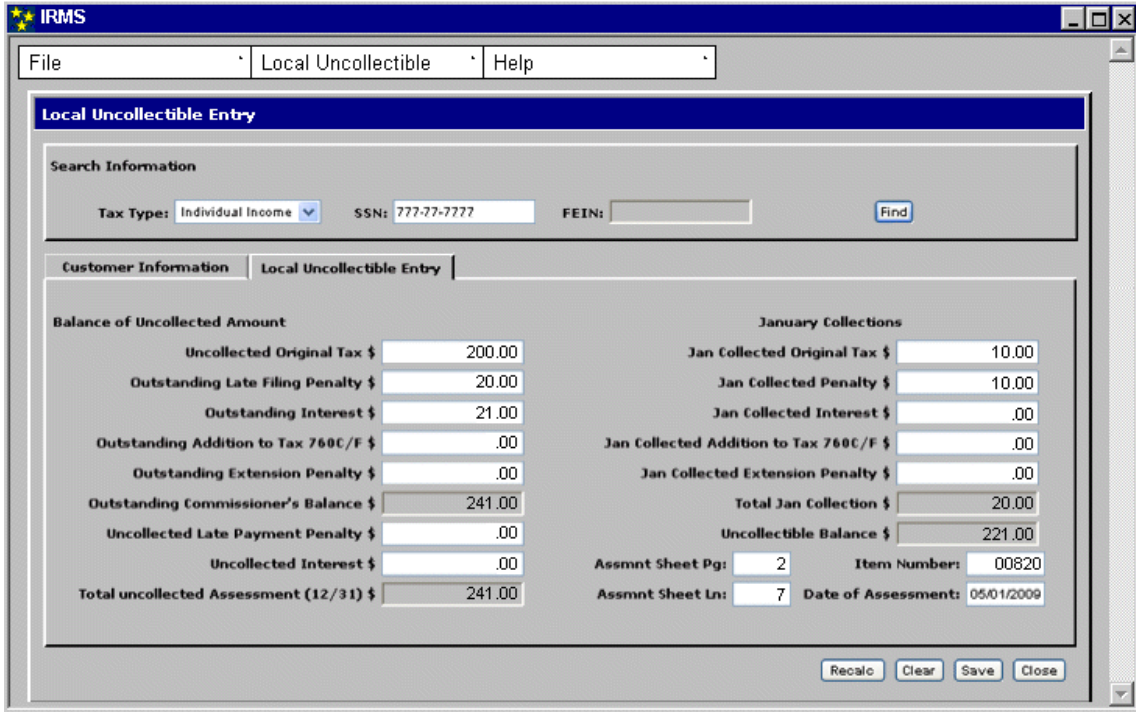
**Step 10:** Click on the **Local Uncollectible Entry** tab.

The system displays Local Uncollectible Entry tab. Here, you can enter the financial details of the uncollected debt for this taxpayer. You enter the amounts for the Balance of Local Commissioner's Initial Assessment in the fields on the left side of the tab and the amounts for the January Collections in the fields on the right side of the tab.

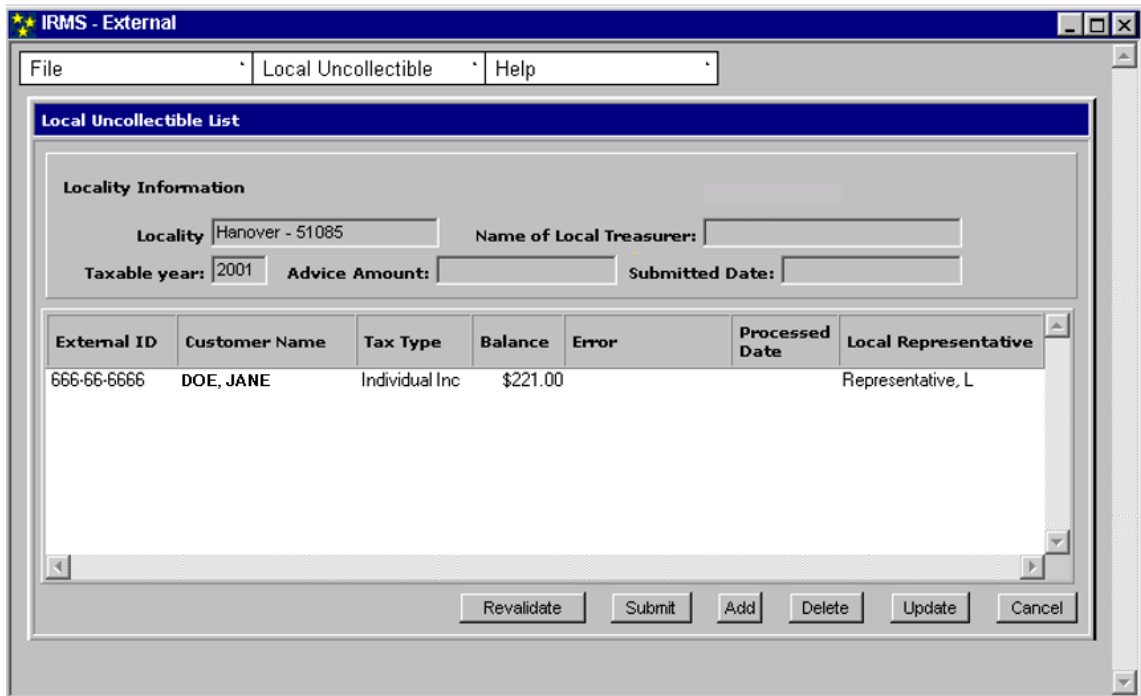
**Step 11:** Enter the required information and all of the optional information you know.

**Step 12:** Click **Save**.

IRMS saves the information you entered.



**Step 13:** Click **Close**.  
 The Local Uncollectible Entry window closes and the Local Uncollectible List window with your entry displays.



**Step 14:** Click **Cancel** to return to the IRMS Main window.



**Note:** Since you displayed this window from the Local Uncollectible Entry Window, you could perform other functions such as adding other uncollectible taxpayers to the list at this time (the buttons on the bottom of the window show the functions available). Most likely, however, you would not perform these functions by following this process. Rather, you would access the Local Uncollectible List window directly from the Tax Information Menu. Therefore, to better explain all of the functions available from this window a complete discussion is found in the next section of this chapter.

## 15.2 Add a Taxpayer to an Existing Local Uncollectible List

Perform the following steps to add taxpayers to an existing Local Uncollectible List:

**Step 1:** From the IRMS Main Menu, select **Tax Information: Local Uncollectibles: Existing Information**.

The Local Uncollectible List window opens.

External ID	Customer Name	Tax Type	Balance	Error	Processed Date	Local Representative
666-66-6666	DOE, JANE	Individual Inc	\$221.00			Representative, L

**Step 2:** Click **Add**.

The Local Uncollectible Entry window opens. The default is to the Customer Information tab.



**IRMS - External**

File Local Uncollectible Help

**Local Uncollectible Entry**

**Search Information**

Tax Type: Individual Income SSN: 999-99-9999 FEIN: Find

**Customer Information** Local Uncollectible Entry

**Customer Information**

Primary First Name: Jane MI: Primary Last Name: Doe SSN: 666666666  
 Secondary First Name: MI: Secondary Last Name: SSN:

**Address Information**

Street: 600 E Main Street  
 City: Ashland State: VA  
 Zip Code: 23085-3921

Recalc Clear Save Close



**Note:** Verify that the customer's name and address matches your taxpayer information. If it does not, click **Clear** and start your search again.

- Step 6:** Click **Local Uncollectible Entry** to open the Local Uncollectible Entry tab. The system displays the Local Uncollectible Entry tab. Here, you can enter the financial details of the uncollected debt for this taxpayer. You enter the amounts for the Balance of Local Commissioner's Initial Assessment in the fields on the left side of the tab and the amounts for the January Collections in the fields on the right side of the tab.

IRMS

File Local Uncollectible Help

### Local Uncollectible Entry

Search Information

Tax Type: Individual Income SSN: 777-77-7777 FEIN: Find

Customer Information Local Uncollectible Entry

Balance of Uncollected Amount	January Collections
Uncollected Original Tax \$ .00	Jan Collected Original Tax \$ .00
Outstanding Late Filing Penalty \$ .00	Jan Collected Penalty \$ .00
Outstanding Interest \$ .00	Jan Collected Interest \$ .00
Outstanding Addition to Tax 760C/F \$ .00	Jan Collected Addition to Tax 760C/F \$ .00
Outstanding Extension Penalty \$ .00	Jan Collected Extension Penalty \$ .00
Outstanding Commissioner's Balance \$ .00	Total Jan Collection \$ .00
Uncollected Late Payment Penalty \$ .00	Uncollectible Balance \$ .00
Uncollected Interest \$ .00	Assmnt Sheet Pg: Item Number:
Total uncollected Assessment (12/31) \$ .00	Assmnt Sheet Ln: Date of Assessment: 05/01/2009

Recalc Clear Save Close

**Step 7:** Enter the required information and all of the optional information you know.

**Step 8:** Click **Save**.

IRMS saves the return. After you have reviewed the information, you can exit the Local Uncollectible Entry window.

IRMS

File Local Uncollectible Help

### Local Uncollectible Entry

Search Information

Tax Type: Individual Income SSN: 999-99-9999 FEIN: Find

Customer Information Local Uncollectible Entry

Balance of Uncollected Amount	January Collections
Uncollected Original Tax \$ 1600.00	Jan Collected Original Tax \$ 300.00
Outstanding Late Filing Penalty \$ .00	Jan Collected Penalty \$ .00
Outstanding Interest \$ .00	Jan Collected Interest \$ .00
Outstanding Addition to Tax 760C/F \$ .00	Jan Collected Addition to Tax 760C/F \$ .00
Outstanding Extension Penalty \$ .00	Jan Collected Extension Penalty \$ .00
Outstanding Commissioner's Balance \$ 1600.00	Total Jan Collection \$ 300.00
Uncollected Late Payment Penalty \$ .00	Uncollectible Balance \$ 1300.00
Uncollected Interest \$ .00	Assmnt Sheet Pg: 4 Item Number: 01040
Total uncollected Assessment (12/31) \$ 1600.00	Assmnt Sheet Ln: 18 Date of Assessment: 05/01/2009

Recalc Clear Save Close

**Step 9:** Click **Close**.

The Local Uncollectible Entry window closes and the Local Uncollectible List window with multiple entries, including the one you just entered, displays.

External ID	Customer Name	Tax Type	Balance	Error	Processed Date	Local Representative
666-66-6666	DOE, JANE	Individual Inc	\$305.00			Representative, L
555-55-5555	DOE, ESTATE	Fiduciary Inc	\$345.00			Representative, L
999-99-9999	DOE, JOHN	Individual Inc	\$1300.00			Representative, L
222-22-2222	DOE, JOJO	Individual Inc	\$221.00			Representative, L

**Step 10:** Click **Cancel** to return to the IRMS Main window.

### 15.3 Update a Taxpayer on the Local Uncollectible List

You can review and update previous entries made to the Local Uncollectible List window until you submit the annual list to TAX. Perform the following steps to update taxpayers on the Local Uncollectible List:

**Step 1:** Select **IRMS Main Menu: Tax Information: Local Uncollectible: Existing Information.**

The Local Uncollectible List window opens containing all the taxpayer information you have entered. From here, you can locate the taxpayer whose information you want to update.

External ID	Customer Name	Tax Type	Balance	Error	Processed Date	Local Representative
666-66-6666	DOE, JANE	Individual Inc	\$305.00			Representative, L
555-55-5555	DOE, ESTATE	Fiduciary Inc	\$945.00			Representative, L
999-99-9999	DOE, JOHN	Individual Inc	\$1300.00			Representative, L
222-22-2222	DOE, JOJO	Individual Inc	\$221.00			Representative, L

**Step 2:** **Click once** on the desired row for the taxpayer whose information you want to update. This will highlight the row.

**Step 3:** Click **Update.**

The Local Uncollectible Entry window opens to the Local Uncollectible Entry tab for your selected taxpayer.





**Step 4:** Modify the information as needed.



*Note:* Additional tax payments received are added to any existing amount in the Jan Collected Tax field and the sum is entered.

**Step 5:** Click **Recalculate** to update the Total Balance.

**Step 6:** Click **Save**.

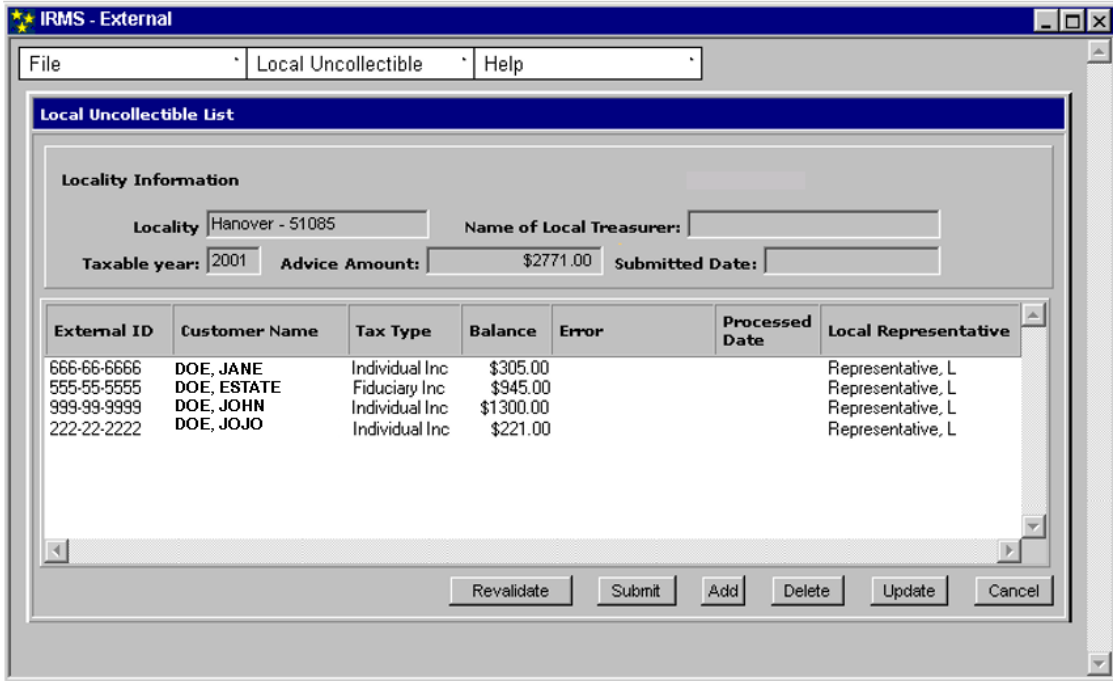
**Step 7:** Click **Close**.

The Local Uncollectible Entry window closes and you return to the Local Uncollectible List. If you changed any amounts, notice the Advice Amount also changed to reflect the update you just made.

**15.4 Delete a Taxpayer From the Local Uncollectible List**

You may find that a taxpayer will make full payment before your list is submitted to TAX. If this happens, you open the Local Uncollectible List window. Perform the following steps to delete taxpayers from the Local Uncollectible List window:

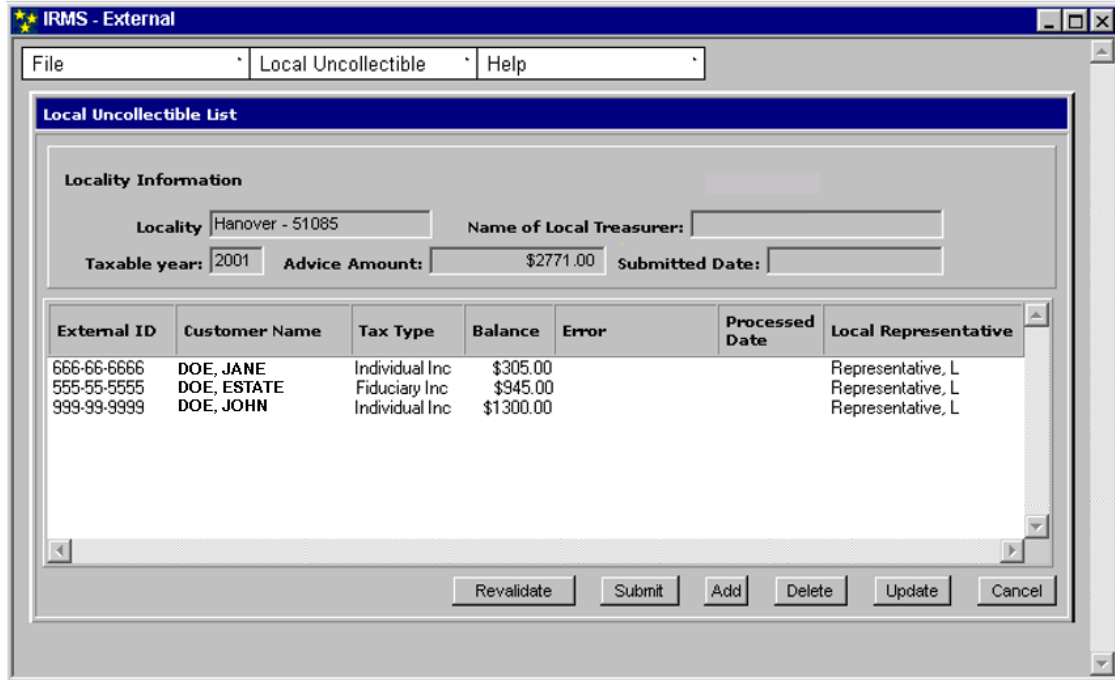
The illustration below is the Local Uncollectible List



**Step 1:** Click once on the row for the taxpayer who sent the payment. This will highlight the entry.

**Step 2:** Click **Delete**.

IRMS removes the taxpayer from the list and updates the Advice Amount field. The Local Uncollectible Entry List window refreshes. The taxpayer record no longer displays on the Local Uncollectible List window.



**Step 3:** Click **Cancel** to return to the IRMS Main window.

## 15.5 Print the Local Uncollectible List

Before submitting your Local Uncollectible List to TAX, you must print a copy for your office. Perform the following steps to print the Local Uncollectible List:

- Step 1:** From the IRMS Main window, select **Tax Information: Local Uncollectible: Existing Information.**  
 The Local Uncollectible List window opens containing all the taxpayer information you have entered.



**Step 4:** Click the **Close** button.  
The Local Uncollectible Entry window closes and you return to the Local Uncollectible List.

## 15.6 Submit Local Uncollectible List to TAX

For locally filed tax due returns that have not been paid in full, local treasurers collect the outstanding tax due and calculate the penalty and interest for outstanding liabilities until the end of the calendar year. After December 31st, the responsibility for collecting outstanding assessments transfers from the locality to the Department of Taxation (TAX).

You will use the Integrated Revenue Management System (IRMS) Web Application to submit your list of uncollectible assessments to TAX at the end of the calendar year. Your Locality must send its uncollectible list for the previous year to TAX by January 31st.

You cannot perform this task until TAX instructs you to do so. Once you receive notification from TAX, you can begin the submission process. Perform the following steps to submit the Local Uncollectible List to TAX:

**Step 1:** From the IRMS Main window, select **Tax Information: Local Uncollectible: Existing Information**.

The Local Uncollectible List window opens containing all the taxpayer information you have entered.

External ID	Customer Name	Tax Type	Balance	Error	Processed Date	Local Representative
666-66-6666	DOE, JANE	Individual Inc	\$305.00			Representative, L
555-55-5555	DOE, ESTATE	Fiduciary Inc	\$345.00			Representative, L
999-99-9999	DOE, JOHN	Individual Inc	\$1300.00			Representative, L
222-22-2222	DOE, JOJO	Individual Inc	\$221.00			Representative, L

After you have reviewed your list of taxpayers and verified that penalty and interest has been applied through December 31st of the taxable year, you use the Submit button to send your list to TAX.



**Note:** **DO NOT** click **Submit** to send the Local Uncollectible List to TAX until you have reviewed the list and determined that it is complete and correct. IRMS will only accept **one** list from each locality, so be certain that the list is complete before you submit it.

**Step 2:** Click **Submit**.

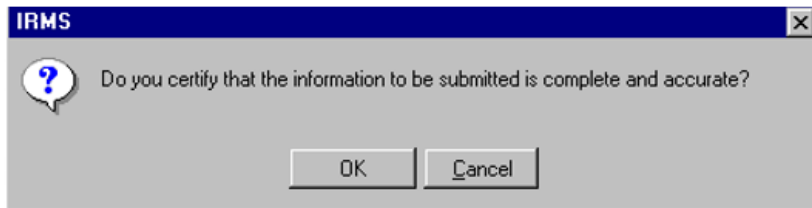
A pop-up window listing the total Advice Amount displays on top of the Local Uncollectible List window.



**Note:** If you do not agree with the information presented in the pop-up window, clicking **Cancel** allows you to return to the list and make any necessary corrections.

**Step 3:** Click **OK** if the amount displayed in the pop-up window is correct.

The pop-up window closes and a certification message asking you to certify that the information is complete and accurate displays.



**Note:** If you have made a mistake, clicking **Cancel** allows you to return to the list and make any necessary corrections.

**Step 4:** Click **OK**.

The certify message pop-up window closes, and IRMS submits the list.

External ID	Customer Name	Tax Type	Balance	Error	Processed Date	Local Representative
666-66-6666	DOE, JANE	Individual Inc	\$305.00			Representative, L
555-55-5555	DOE, ESTATE	Fiduciary Inc	\$945.00			Representative, L
999-99-9999	DOE, JOHN	Individual Inc	\$1300.00			Representative, L
222-22-2222	DOE, JOJO	Individual Inc	\$221.00			Representative, L

**Step 5:** Click the **Close icon**, to return to the IRMS Main window.