

**FRANCHISE TAX BOARD SUSPENDS COLLECTION
OF DEBTS OWED TO GOVERNMENT AGENCIES**

Due to the COVID-19 pandemic and related health and economic impacts of this crisis, the California State Controller has temporarily suspended the collection of all debts to government agencies until July 15, 2020, or a date to be determined based on the evolving nature of this unprecedented event.

Effective March 27, 2020, the Franchise Tax Board will suspend the following types of collection actions:

- Intercepts of tax refunds, lottery winnings, or unclaimed property payments, pursuant to the Interagency Intercept Collection (IIC) Program.
- Wage garnishments and bank liens pursuant to the Court-Ordered Debt (COD) Collection Program.
- Liens on real and personal property to satisfy tax debt.
- Automatic payments related to pre-COVID19 payment plans.

The suspension on collections will apply to all* types of government-imposed debt, including:

- Bail, fines, fees, penalties and assessments imposed and collected by the juvenile and criminal systems
- Court-ordered reimbursement for court-related services
- Overdue taxes
- Welfare or unemployment program overpayments
- Parking tickets
- Vehicle, including toll, violations
- Unpaid vehicle registration fees
- Tuition
- Debts owed to agencies in states outside California

* Suspensions will **not** apply to child support orders or arrears.

Nothing in this action will prevent interest from accruing on a court ordered debt, which in California is 10%, nor does this action prevent someone from choosing to pay the debt voluntarily. This suspension is temporary and will not reduce the base amount owed.

For more information, please contact:

Stephanie Campos Bui
Supervising Attorney
Berkeley Policy Advocacy Clinic
909-568-7410
scamposbui@law.berkeley.edu

Jessica Bartholow
Policy Advocate
Western Center
916-400-1948
jbartholow@wclp.org

Rachel Hoerger
Staff Attorney
Bay Area Legal Aid
510-318-7225
RHoerger@baylegal.org