



COMMONWEALTH of VIRGINIA

Department of Taxation

October 10, 2024

TO: The Honorable Glenn Youngkin
 Governor of Virginia

 The Honorable Stephen E. Cummings
 Secretary of Finance

 The Honorable L. Louise Lucas
 Chairwoman, Senate Finance and Appropriations Committee

 The Honorable Luke E. Torian
 Chairman, House Appropriations Committee

FROM: James J. Alex
 Tax Commissioner

A handwritten signature in black ink, appearing to read "J. Alex", written over the printed name of the Tax Commissioner.

Pursuant to §58.1-531 of the Code of Virginia, I am reporting the administrative cost of the Setoff Debt Collection Program for fiscal year 2024. The Setoff Debt Collection Program allows state and local government agencies to offset certain debts against individual tax refunds and lottery prize winnings.

During fiscal year 2024, 292,140 individual claims totaling \$70,198,320 were paid at an estimated cost of \$1,096,761. A detailed report of costs incurred to support the Setoff Debt Collection Program is attached. The average cost per claim was \$3.75. The average claim was \$240.

The Setoff Debt Collection Program continues to be an efficient means of collecting delinquent state and local revenues. Please contact me if there are questions or additional information is required.

Attachment

