The South Carolina Department of Revenue (SCDOR) is committed to the fair administration of debt collection and to protecting compliant citizens. Unpaid liabilities can make it difficult for organizations and governmental entities to budget and fund essential services. These liabilities can harm citizens who are paying their fair share and threaten the integrity of an agency’s funding system.

Two convenient options to help eligible entities collect monies owed:

**Setoff Debt**

- Includes collection of outstanding liabilities through the garnishment of state Individual Income Tax refunds
- Debt limitation: $25 and above
- Cost to claimant: $0
- Cost to debtor: $25 (SCDOR administrative fee)
- Important dates:
  - August 31: Participation application due
  - December 1: Debtor information due
  - Submit additional debtors throughout the year

**GEAR: Governmental Enterprise Accounts Receivable**

- More flexible and comprehensive debt collection service that includes garnishment of wages and state Individual Income Tax refunds, use of tax liens, and levy of bank accounts
- Allows debtors to set up payment plans
- Debt limitation: $50 and above
- Cost to claimant: 22% of liability collected*
- Cost to debtor: $25 (SCDOR administrative fee)
- Apply to participate in GEAR any time

*22% rate effective as of July 1, 2015

Why consider these programs?

- The public is familiar with our collection process
- Quick turn around on debt collections
- Participating entities receive monthly payments

Who can use these programs?

Organizations and governmental entities including:

- State agencies, boards, committees, or commissions
- Public and private* institutions of higher learning
- Housing authorities
- Political subdivisions
- Other governmental or quasi-governmental entity of any US state

*for the purpose of debt collection related to default on authorized educational loans

Learn more: dor.sc.gov | 803-898-5755 | SetoffDebt@dor.sc.gov