



Alabama's only state tax refund municipal debt recovery program

www.alintercept.org

Why use Municipal Intercept Services (MIS) when we already have a debt collection service?

MIS is **NOT** a debt collection agency or service. MIS does not do what debt collection services do and debt collection services cannot offer what MIS does. MIS is a unique way to attempt to recover money owed to your municipality by "intercepting" an individual's Alabama State tax refund. Debt collection agencies can NOT offer you this service.

MIS is a legislatively sanctioned conduit with the Alabama Department of Revenue (ADOR) that enables ADOR to recover delinquent debts owed by individuals to your municipality by collecting this debt from the individual's Alabama state tax refund. This system was made possible by an Alabama legislative change enacted in 2014 through which ADOR agreed to process these debts through only two clearinghouse organizations: the Alabama League of Municipalities (ALM) for municipal entities and the Association of County Commissions of Alabama (ACCA) for county entities. In 2015, ALM formed MIS to act as the clearinghouse on behalf of its municipal entities.

Who is eligible to use the MIS system?

Only municipal entities within Alabama are eligible to use the MIS system. This includes cities, towns, certain utility boards, housing authorities and hospitals. If your entity is considered a "county" rather than a "municipal" entity, you will need to contact the Association of County Commissions of Alabama (ACCA) at www.alabamacounties.org to apply to participate in their program.

Is there a fee to use the MIS system?

No. This service is **FREE** to eligible participating members. There is a \$25 service fee charged to and paid by the debtor for each successful intercept on each debt.

What debts can be intercepted using the MIS system?

Any municipal debt that is considered final, still within its statute of limitations and is more than 60 days old can be submitted to MIS. Examples of debts include: court fees/fines, judgments, library fees, medical bills, ordinance violations, parking fees, rental/lease agreements, returned checks, sanitation/garbage fees and utility bills.

What information will we need to input into the MIS system?

Each debt submitted to the MIS system requires first name of the debtor, last name of the debtor, social security number of the debtor, debt amount owned by the debtor and a debt type – why the debt is owed. No further information is needed.

NOTE: If the debtor is not eligible for an Alabama State tax refund, no money can be collected.



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