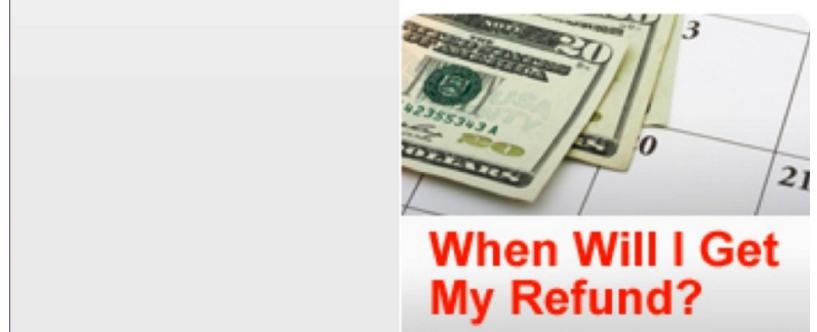




Social Security Stops Seizing Refund Checks for Decades-old Debts

Mary Grice, a resident of Maryland, was expecting her refund checks of \$4,462 from the IRS and the state of Maryland. They never came. Instead she got a letter from the Social Security Administration (SSA) saying that [they took them](#) to settle a debt owed by her father — in 1977.



When the *Washington Post* learned that she was filing suit over the matter, things began to happen. She told them: “It was a shock. What incenses me is the way they went about this. They gave me no notice.” Her attorney, Robert Vogel, amped up the issue, putting the SSA on the defensive.

The Social Security Administration’s explanation of its actions was spotty. Apparently when Mary’s father died back in 1960, Mary’s mother began receiving survivor’s benefits. There was an overpayment of some type, but no one at SSA could put their finger on exactly how much the overpayments were or when they were made. All they really knew is that they were made under her deceased father’s Social Security number.

Vogel is taking the case gratis, hoping to rectify a wrong. Said Vogel:

The craziest part of this whole thing is the way the government seizes a child’s money to satisfy a debt that child never even knew about.

They’ll say that somebody got paid for that child’s benefit but the child had no control over the money and there’s no way to know if the parent ever used the money for the benefit of that child.

The program, called the “Treasury Offset Program,” was launched in 2011, following passage of the 2008 farm bill, which allowed the taking. That bill contained a single sentence repealing the 10-year limit on such recaptures, and some bureaucrat decided to take advantage of the opportunity it presented. After all, by his calculations some 400,000 people owed Social Security more than \$700 million. Why not attach their refund checks? No muss, no fuss.

Now, however, no one can seem to remember who put the offending sentence into the farm bill. Said the *Post*:

No one seems eager to take credit for reopening all these long-closed cases. A Social Security spokeswoman says her agency didn’t seek the change; ask Treasury. Treasury says it wasn’t us; try Congress. Congressional staffers say the request probably came from the bureaucracy.

Grice was not alone in getting fleeced. Brenda and Mike Samonds of Illinois saw their refund check for \$189.10 disappear into the Treasury’s black hole, and they wasted a year trying to get it back before giving up. Said Brenda:



Written by [Bob Adelman](#) on April 16, 2014

It was never Mike's money, it was his mother's. The government took the money first and then they sent us the letter.

We could never get one sentence from them explaining why the money was taken.

Ted Verbich was a student at the University of Maryland back in 1977. He was getting a survivor's benefit of \$70 a month for several months after he took a full-time job following graduation. In 1978, he was notified by SSA that he owed them \$600, and he paid them back. That was the end of it, or so he thought. Last year, however, he said, "They snatched my Maryland tax refund," without notice or justification. When he complained, he was told by the local SSA officer "I'll put in the request but in reality, you'll never get anything."

It wasn't until thousands of people whose refund checks disappeared into the maw of the Treasury began to pressure their elected representatives that the SSA began to take the complaints seriously. Senator Charles Grassley (R-Iowa) sent a letter directly to Treasury Secretary Jack Lew complaining that he was "not properly notifying individuals or allowing them to inspect records of the debt they supposedly owe — which are violations of the law." He added:

[The law] says nothing about allowing the government to offset payments from an individual to pay debts not in his or her name.

It is unclear where the government has that authority.... It appears that [your agency is] abusing the system.

When Democratic Senators Barbara Boxer of California and Barbara Mikulski of Maryland began to hear from their unhappy constituents, they wrote a letter to the SSA saying,

While this policy of seizing tax refunds to repay decades-old Social Security overpayments might be allowed under the law, it is entirely unjust....

Garnishing these refunds to collect overpayments incurred through no fault of their own and based on decades-old errors is a policy that must not continue.

It's unclear who called whom, but on Monday Carolyn Colvin, the acting head of Social Security, called a press conference announcing that her agency was "suspending" the program pending "further review" of it.

The clamor of outrage and claims that the program was "unfair" and "unjust" likely ended the program altogether. As former Illinois Republican Senator Everett Dirksen famously once said: "When I feel the heat, I see the light." Lew and Colvin felt the heat and saw the light and ended the program. Unfortunately SSA and the Treasury had already seized some \$55 million from unhappy and uninformed taxpayers who will never see their money again.

Nowhere in the conversation was there any concern expressed over a much greater "unfair" program: the federal income tax system. Revealed also on Monday by the IRS was the fact that the top 25 percent of taxpayers paid 87 percent of all the taxes, while the top 50 percent paid 98 percent. Where are the cries of "injustice" and "unfairness" from these worthies about that?

It's only when enough heat is applied that anything will be done about that monstrously unfair and unjust seizure and redistribution of taxpayer funds. Only then will elected officials see the light and begin the process of restoring fairness to that gargantuan labyrinthine code, on the way to its elimination altogether.



Written by [Bob Adelman](#) on April 16, 2014

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