



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

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June 15, 2015

MEMORANDUM FOR DIRECTOR, FIELD COLLECTION
DIRECTORS, FIELD COLLECTION AREA OPERATIONS

FROM:

Rennae L. Ward

Handwritten signature of Rennae L. Ward in black ink.

Director, Collection Inventory Delivery and Selection

SUBJECT:

Federal Payment Levy Program 30% Levy Authority on
Medicare Provider Payments

This memorandum provides new information on the Federal Payment Levy Program (FPLP). Please ensure this information is distributed to all affected employees within your organization.

Starting June 19, 2015, the FPLP will increase its continuous levy authority from 15% to 30% on all new and existing Medicare provider payment levies. The Tax Increase Prevention Act of 2014, Title II: Offsets – (SEC. 209) amends IRC 6331(h)(3) to increase from 15% to 30% in the case of any specified payment due to a Medicare provider or supplier under title XVIII of the Social Security Act. Additional legislation has passed to increase the Medicare provider levy payments from 30% to 100%, this change is expected to be implemented in October 2015.

Internal Revenue Manual (IRM) 5.11.7.2, Collection, Notice of Levy, Automated Levy Programs, FPLP, will be updated to incorporate this change. Information on how to identify the FPLP is levying a Medicare provider payment is currently explained in IRM 5.11.7.2.3.2, Matching Process (TC 971 AC 062) and IRM 5.11.7.2.3.4, Levy Service Process (TC 971 AC 662 or 762).

If you have any questions you may contact me, or a member of your staff may contact Kristi Darby, Tax Analyst, at 816-291-9705 or kristi.l.darby@irs.gov.

cc: Director, Field Collection
Director, Headquarters Collection
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