Social Security Administration § 404.527

cannot be resolved by a review of the documentary evidence. If the overpaid individual has asked us to make a waiver determination and our records do not show that after an oral hearing we had previously determined that he was at "fault" in accepting the overpayment, we will not deny the waiver request without first scheduling an oral hearing.


§ 404.524 Review of our records related to the overpayment.

(a) Notification by the overpaid individual. An overpaid individual who intends to inspect or copy our records related to the overpayment as determined by us must notify us stating his or her intention to inspect or copy.

(b) Our response. In response to a notification by the overpaid individual as described in paragraph (a) of this section, we will notify the overpaid individual of the location and time when the overpaid individual may inspect or copy our records related to the overpayment. We may also, at our discretion, mail copies of the overpayment-related records to the overpaid individual.

[56 FR 52469, Oct. 21, 1991]

§ 404.525 Suspension of offset.

If, within 60 days of the date of the notice described in § 404.521, the overpaid individual notifies us that he or she is exercising a right described in § 404.522(a) and submits evidence pursuant to § 404.522(b) or requests a waiver under § 404.506, we will suspend any notice to the Department of the Treasury until we have issued written findings that affirm that an overpayment is past due and legally enforceable and, if applicable, make a determination that a waiver request cannot be granted.


§ 404.526 Tax refund insufficient to cover amount of overpayment.

If a tax refund for a given taxable year is insufficient to recover an overpayment completely, the case will remain with the Department of the Treasury for offset, assuming that all criteria for offset continue to be met.


§ 404.527 Additional methods for recovery of title II benefit overpayments.

(a) General. In addition to the methods specified in §§ 404.502 and 404.520, an overpayment under title II of the Act is also subject to recovery under the rules in subparts D and E of part 422 of this chapter. Subpart D of part 422 of
this chapter applies only under the following conditions:
(1) The overpayment occurred after the individual has attained age 18;
(2) The overpaid individual is no longer entitled to benefits under title II of the Act; and
(3) Pursuant to paragraph (b) of this section, we have determined that the overpayment is otherwise unrecoverable under section 204 of the Act.

(b) When an overpayment is considered to be otherwise unrecoverable. An overpayment under title II of the Act is considered to be otherwise unrecoverable under section 204 of the Act if all of the following conditions are met:
(1) Our billing system sequence has been completed (i.e., we have sent the individual an initial notice of the overpayment, a reminder notice, and a past-due notice) or collection activity has been suspended or terminated in accordance with the Federal Claims Collection Standards in 31 CFR 903.2 or 903.3.
(2) We have not entered into an installment payment arrangement with the overpaid individual or, if we have entered into such an arrangement, the overpaid individual has failed to make any payment for two consecutive months.
(3) The overpaid individual has not requested waiver pursuant to §404.506 or §404.502 or, after a review conducted pursuant to §404.913, we have affirmed, in whole or in part, the initial overpayment determination.
(4) The overpaid individual has not requested reconsideration of the initial overpayment determination pursuant to §§404.507 and 404.909 or, after a review conducted pursuant to §404.913, we have affirmed, in whole or in part, the initial overpayment determination.
(5) The overpayment cannot be recovered pursuant to §404.502 by adjustment of benefits payable to any individual other than the overpaid individual.

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§ 404.530 Are title VIII and title XVI benefits subject to adjustment to recover title II overpayments?

(a) Definitions—(1) Cross-program recovery. Cross-program recovery is the process that we will use to collect title II overpayments from benefits payable to you under title VIII and title XVI of the Act.
(2) Benefits payable. For purposes of this section, benefits payable means the amount of title VIII or title XVI benefits you actually would receive. For title VIII benefits, it includes your monthly benefit and any past-due benefits after any reduction by the amount of income for the month as described in §§408.505 through 408.515 of this chapter. For title XVI benefits, it includes your monthly benefit and any past-due benefits as described in §416.420 of this chapter.

(b) When may we collect title II overpayments using cross-program recovery? We may use cross-program recovery to collect a title II overpayment you owe when benefits are payable to you under title VIII, title XVI, or both.

§ 404.535 How much will we withhold from your title VIII and title XVI benefits to recover a title II overpayment?

(a) If past-due benefits are payable to you, we will withhold the lesser of the entire overpayment balance or the entire amount of past-due benefits.
(b) We will collect the overpayment from current monthly benefits due in a month under title VIII and title XVI by withholding the lesser of the amount of the entire overpayment balance or:
(i) 10 percent of the monthly title VIII benefits payable for that month and
(ii) in the case of title XVI benefits, an amount no greater than the lesser of the benefit payable for that month or an amount equal to 10 percent of your income for that month (excluding such monthly benefit but excluding payments under title II when recovery is also made from title II benefits and excluding income excluded pursuant to §§416.1112 and 416.1124 of this chapter).

(2) Paragraph (b)(1) of this section does not apply if: