

**Government Finance Officers Association  
National Association of Counties  
National League of Cities  
U.S. Conference of Mayors**

June 11, 2008

The Honorable Henry A. Waxman  
Chairman  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
2157 Rayburn House Office Building  
Washington, D.C. 20515

**RE: H.R. 1865**

Dear Chairman Waxman:

We applaud the committee's forthcoming consideration of H.R. 1865. The legislation would allow certain types of delinquent local tax debt to be collected through the reduction of federal tax refunds. Providing local governments access to these needed and due funds, is important both in principle and for budgetary purposes.

Our organizations support H.R. 1865, and for many years have been calling for the expansion of the Federal Offset Program. Its inception was to assist states with securing child support arrearages, and was expanded to allow states to submit other delinquent claims against an individual's federal tax return. This program has been very successful for the states, and we hope that you will vote to expand the program once again in order to include local government tax debts. Doing so could potentially result in several billion dollars annually for local governments by effecting the collection of delinquent taxes.

This bi-partisan legislation is an example of how federal, state and local governments can work well together. There are no costs to the federal government associated with the bill, as states and the federal government will be compensated by the local government for the administrative burden. In an effort to close this 'tax gap' for local governments - an important initiative that has been a lead issue in the House Ways and Means and Senate Finance Committees - we would ask that you support H.R. 1865.

Sincerely,

Government Finance Officers Association, Susan Gaffney, 202-393-8468  
National Association of Counties, Ed Rosado, 202-661-8809  
National League of Cities, Carolyn Coleman, 202-626-3023  
U.S. Conference of Mayors, Larry Jones, 202-861-6709

cc: The Honorable Tom Davis, Ranking Minority Member Oversight and Government Reform  
Committee  
The Honorable Charles Rangel, Chairman, House Ways and Means Committee  
The Honorable Max Baucus, Chairman, Senate Finance Committee  
The Honorable Jim Moran