



Office of Temporary and Disability Assistance

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General Information System (GIS) Message

Section 1

Transmittal:	23DC053 Upstate and New York City
Date:	July 18, 2023
To:	Subscribers
Suggested Distribution:	Commissioners, TA Directors, Fair Hearing Officers, Staff Development Coordinators, WMS Coordinators
From:	Valerie Figueroa, Deputy Commissioner Employment and Income Support Programs
Subject:	Reinstitution of the 45-Day Follow-Up Requirement for 1099 Tax Data Match Referrals
Effective Date:	Immediately
Contact Information:	Temporary Assistance Bureau at: 518-474-9344 or: tabureau@otda.ny.gov

Section 2

The purpose of this GIS message is to inform social services districts (districts) that due to the expiration of the federal Public Health Emergency (PHE) for COVID-19 on May 11, 2023, districts must once again review and resolve 1099 tax data match referrals from the New York State Office of Temporary and Disability Assistance (OTDA) within 45 days from the date the information is received by the district. Districts must also expeditiously review their files and complete any outstanding 1099 tax data match reviews.

Federal regulations require each state to have a 1099 unearned income computer-matching component of the Income Eligibility Verification System (IEVS) for assistance programs funded under the Temporary Assistance for Needy Families (TANF) block grant. To meet this requirement, OTDA receives Federal Tax Information (FTI) from the Internal Revenue Service (IRS). Federal regulations assess a penalty of up to two percent of a state's TANF Block Grant for failure to participate in IEVS.

On April 6, 2021, districts were provided email guidance on flexibilities that could be provided to ensure they could meet the needs of individuals and families who were applying for or receiving Temporary Assistance (TA) during the COVID-19 State disaster emergency.

Question 7 in the April 6, 2021 guidance email advised districts of the following flexibility:

Q7. Due to the COVID-19 pandemic, what happens if a district fails to meet the Income and Eligibility Verification System (IEVS) required 45-day follow-up for 1099 tax data match referrals received from OTDA?

A7. On March 24, 2020, the U.S. Department of Health and Human Services (HHS), Office of the Administration for Children and Families (ACF) released TANF-ACF-PI-2020-01 (Questions and answers about TANF and the Coronavirus Disease 2019 (COVID-19) pandemic). This guidance allows states/districts flexibility within the requirement. This includes not holding states/districts to the timeframe for follow-up action on information received from a 1099 tax data match – i.e., generally within 45 days. This flexibility is in place until further HHS guidance and/or until pandemic-related flexibilities are no longer in place.

Although the 45-day follow-up requirement is not in effect at this time, districts are still required to follow-up on all IEVS 1099 tax data matches once it is practicable. Districts are reminded that they are prohibited from denying, terminating, suspending, or reducing any benefits of an individual until the district has independently verified the information.

Further information on the IEVS 1099 process can be found in [06-ADM-02](#) and [08-INF-14](#).

HHS recently announced that the federal PHE for COVID-19, declared under Section 319 of the Public Health Service (PHS) Act, expired at the end of the day on May 11, 2023: [COVID-19 Public Health Emergency \(PHE\) | HHS.gov](#). As a result, effective May 12, 2023, the 45-day timeframe for reviewing and resolving 1099 tax data match referrals is in effect. As the 45-day clock from May 12, 2023 has since elapsed, districts must expeditiously review their files and complete any outstanding 1099 tax data match reviews.

Districts are reminded that when a 1099 tax data match referral is received from OTDA, they must resolve the match and initiate appropriate action within 45 days from the date the verified information is received by the district. Actions taken by the district must be noted in the case record. If the documentation requires no further action, then the district must specifically indicate in the case record that the 1099 information was reviewed and requires no further case action by the district. The entire process from receipt of the match to follow-up and district action is subject to review by OTDA and is included as part of the annual TANF Reviews conducted by OTDA.