

**United States Department of the Treasury  
Bureau of the Fiscal Service  
Treatise on Federal Nontax Debt Collection Law**

**INTRODUCTION**

This *Treatise on Federal Nontax Debt Collection Law (Treatise)* provides legal background on the collection of nontax debts owed to the United States (referred to as “federal nontax debts”). Federal nontax debts may arise from several sources, including direct or guaranteed loans; overpayments to federal employees, contractors, or benefit recipients; and unpaid fees, fines and penalties. If the United States cannot collect debt owed to it, it must eventually terminate its collection efforts and realize the loss. The more debt the United States collects, the less it must borrow or raise to fund Government services. Federal agencies have a legal responsibility to collect debts owed to the United States, as required and authorized by various laws.

The purpose of this *Treatise* is to provide federal agency counsel and program staff with an in-depth explanation and interpretation of the laws that govern administrative collection of federal nontax debts, including statutes, regulations, federal common law, interpretive guidance, and the positions that the U.S. Department of the Treasury’s Bureau of the Fiscal Service has taken on debt collection legal matters.

This *Treatise* covers the laws that apply generally to all federal agencies and programs and does not address program-specific laws, which may interact with, and sometimes take precedence over, the governmentwide rules. While this *Treatise* will be updated periodically, before relying on the interpretations contained in this *Treatise*, agencies should validate that the state of the law. Also, agency program staff should always consult with their legal counsel on agency and program-specific questions. Finally, agencies should evaluate whether their debt collection programs have standards in place to promote equitable outcomes.