

What can the SSA do to collect on a disability overpayment?

The application process for Social Security disability benefits can get pretty complicated. It is important to note though that complications can also arise after a person has been approved for such benefits. One way complications can arise is through an overpayment of benefits. When the Social Security Administration makes an overpayment of disability benefits to an individual, it generally results in the person having a debt with the SSA.

There are many things the SSA can do to try to collect on such a debt. If a person is still receiving benefits at the time the overpayment comes to light, one method the SSA sometimes utilizes is to simply deduct the previously overpaid amount from current payments.

If the person is no longer receiving benefits at the time the overpayment is discovered, there are other collection methods the SSA can turn to.

Recently, the SSA has temporarily put the brakes on one of the collection methods it has at its disposal: the seizure of a person's tax refunds to cover an old benefits overpayment. In 2008, a law change made it so such seizures could be made in relation to all overpayment debts, not just those under the 10-year mark.

The practice of seizing tax refunds to cover over-10-year-old benefits overpayments drew a fair amount of criticism. This led the SSA to put a temporary halt to the practice last year. Recently, the SSA said this halt will continue through this year's tax season. Reportedly, the SSA is currently reviewing what it wants to do long-term when it comes to this collection

method.

As the overpayment issue illustrates, it is possible to find oneself in a legal squabble with the SSA after being found eligible for disability benefits. Attorneys can assist individuals with disability-benefits-related disputes with the SSA.

Source: The Detroit News, "[Social Security won't seize tax refunds for old debts](#)," Stephen Ohlemacher, Jan. 19, 2015