



Department of the Treasury
Financial Management Service *fms*

Federal Benefit Payments Protected Under Title 31, Part 212 of the Code of Federal Regulations

ACH Batch Header Record Descriptions and Garnishment Exempt Identifiers

Quick Reference Guide

March 2011

Identifying Federal Benefit Payments

Treasury/FMS will encode an “XX” in Positions 54-55 of the “Company Entry Description” Field and a “2” in the “Originator Status Code” Field of the Batch Header Record for ACH/PPD and ACH/CCD payments that are designated as Federal benefit payments that are exempt from garnishment. This encoding will allow financial institutions to determine whether a Federal direct deposit payment is an exempt Federal benefit payment. **Financial institutions may rely on the presence of an “XX” encoded in Positions 54-55 of the “Company Entry Description” Field and a “2” in the “Originator Status Code” Field of the Batch Header Record of a direct deposit entry to identify a Federal benefit payment exempt from garnishment.**

Because it is possible that a commercial payment could also have an “XX” encoded in Positions 54-55, financial institutions must verify that the payment is a *Federal* payment. This can be confirmed either by searching for a “2” in the “Originator Status Code” Field in the Batch Header Record (Position 79) **OR** by reviewing the description of the payment in the ACH Batch Header Company Entry Description to ensure that the payment is one of the exempt Federal Benefit Payment Types shown in the table on the following pages.

**FEDERAL BENEFIT PAYMENTS DISBURSED BY TREASURY/FMS THAT ARE
PROTECTED UNDER THE REGULATION AND
ACH BATCH HEADER RECORD, COMPANY ENTRY DESCRIPTION FIELD**

This will assist financial institutions in identifying electronic Federal benefit payments issued by Treasury/FMS and exempt from garnishment. In consultation with the paying agencies, below is a table that identifies which payments are exempt, the Company Entry Description in the ACH Batch Header Record, and a description of the payment type.

| Federal Benefit Payment Types Statutorily Exempt from Garnishment | Company Entry Description (Positions 54-63) - PRIOR TO NEW GARNISHMENT RULE | Company Entry Description (Positions 54-63) - WITH NEW GARNISHMENT RULE | Payment Type Description |
|--|--|--|--|
| VA Benefit | VA b BENEFIT | XXVA b BENEF | VA Benefit (Comp and Pension, DIC, Burial) |
| | VA b ED b CH30 | XXVA b CH30 b | VA Education |
| | VA b MGIBSR b | XXVA b MGIBS | VA Montgomery GI Bill, Select Reserve |
| | VA b CH18 b b | XXVA b CH18 b | VA Spina Bifida, Birth Defects |
| | VA b CH31 b b | XXVA b CH31 b | VA Vocational Rehabilitation (Retroactive) |
| | VA b REAP b b | XXVA b REAP b | VA Reservist Education Assistance Program |
| | VA b 31RECUR | XXVA b 31REC | VA Vocational Rehabilitation (Recurring) |
| | VA b ED b 1607 | XXVA b 1607 b | VA Reservist Education Assistance Program, VA Dependents' Educational Assistance (Ch. 35), VA Education (Ch. 32) |
| | VA b ED b CH33 | XXVA b CH33 b | VA Education Ch 33 |
| VA Ed CH33 - Vendor | VA b ED b CH33 | XXVA b CH33 b | VA Education Ch 33 - Vendor payments |
| VA Insurance | FEDVA b INSUR | XXVA b INSUR | VA Insurance |
| Railroad Retirement Benefit | RR b UISI b b | XXRR b UISI b | Railroad Retirement Board Unemployment Insurance |
| | RR b RET b b | XXRR b RET b | Railroad Retirement Benefit |
| Social Security Benefit | SOC b SEC b b | XXSOC b SEC b | Social Security Benefit |
| | MISC b PAY2 b | XXMISC b PAY | Social Security Child Support and Alimony (SSA Garnishment) |
| | INTL b PYMT | XXINTL b PMT | International Direct Deposit – Recurring |
| | INTL b PYMT | XXINTL b PMT | International Direct Deposit - Daily |
| Supplemental Security Income | SUPP b SEC b b | XXSUPP b SEC | Supplemental Security Income Benefit |
| Office of Personnel Management (Civil Service Retirement) | CIVIL b SERV | XXCIV b SERV | Civil Service Retirement Benefit |

NOTE: The payment descriptions shown below are changing to contain blanks in Positions 54 and 55 of the Company Entry Description Field. This enables Treasury/FMS to be positioned for future use of the “XX” identifier for other payments, should additional authority be acquired.

OTHER PAYMENTS

| Agency | Current Company Entry Description, (Without Blanks in Positions 54-63) | Future Company Entry Description (With Blanks in Positions 54-63) | Payment Type Description |
|---|--|---|--|
| Any agency - Including SSA, RRB, VA, OPM, etc. | FEDANNUIITY | bbFEDbANNU | Annuity |
| | FEDbSALARY | bbFEDbSALb | Salary |
| | FEDbTRAVEL | bbFEDbTVLb | Travel |
| | FEDbTSPbbb | bbFEDbTSPb | Thrift Savings |
| | FEDPREAUTH | NA | Preauthorized Debits |
| | MISCbPAYbb | bbMISCbPAY | Vendor Misc |
| IRS | TAXbREFUND | bbTAXbREFb | TAX - IMF / BMF (Local, Consolidated, or CADE) |
| Any ERP payment - Including SSA, RRB, VA, OPM, etc. | VAbERPbbb | bbVAbERPb | ERP Payment |
| | RRBbERPbbb | bbRRRbERPb | ERP Payment |
| | SSAbERPbbb | bbSSAbERPb | ERP Payment |
| | SSIBERPbbb | bbSSIBERPb | ERP Payment |