

## Note 3. Accounts Receivable, Net

### Accounts Receivable, Net as of September 30, 2021, and 2020

(In billions of dollars)	2021	2020
<b>Taxes receivable:</b>		
Taxes receivable, gross .....	507.8	441.9
Allowance for uncollectible amounts .....	(196.6)	(198.7)
Taxes receivable, net.....	<u>311.2</u>	<u>243.2</u>
<b>Other accounts receivable:</b>		
Other accounts receivable, gross .....	140.7	113.0
Allowance for uncollectible amounts .....	(50.9)	(35.0)
Other accounts receivable, net .....	<u>89.8</u>	<u>78.0</u>
Total accounts receivable, net .....	<u><u>401.0</u></u>	<u><u>321.2</u></u>

Taxes receivable is listed first above due to being the significant portion of total accounts receivable, and the rest are referred to as other accounts receivable. Other accounts receivable, gross includes related interest receivable of \$3.0 billion and \$2.8 billion as of September 30, 2021, and 2020, respectively.

Treasury comprises approximately 76.0 percent of the government's reported accounts receivable, net, as of September 30, 2021. Treasury accounts for nearly all the reported taxes receivable, which consist of unpaid assessments due from taxpayers, unpaid taxes related to IRC section 965, and deferred payments resulting from the CARES Act. Examples of unpaid assessments are the filing of a tax return without sufficient payment or a court ruling in favor of the IRS. Section 965(h) of the IRC requires taxpayers who are shareholders of certain specified foreign corporations to pay a transition tax on foreign earnings as if those earnings had been repatriated to the U.S. IRC 965(h) allows taxpayers to elect to pay their tax on an eight-year installment schedule. Pursuant to the CARES Act, employers can defer payment, without penalty, of their portions of the Social Security segment of FICA and the employer's and employee representative's share of the Railroad Retirement Tax. Treasury experienced a year to year increase of \$67.0 billion principally due to the two-year payment deferral of FICA Social Security taxes.

Other accounts receivable, gross increased significantly year to year, primarily as a result of DOL's \$18.6 billion increase in benefit overpayments from programs related to COVID-19. Another substantial factor in the overall change was a \$7.0 billion increase in HHS receivables primarily due to Medicare.

The following entities are the main contributors to the government's reported accounts receivable, net as of September 30, 2021. Refer to each entity's financial statements for additional information:

- Treasury
- HHS
- DHS
- SSA
- DOL
- DOI
- DOD
- USDA
- VA
- PBGC
- DOE
- OPM
- TVA
- FDIC
- HUD
- USPS
- NCUA
- FCC