(b) *Resolution of dispute*. The agency that certified the underlying payment(s) and directed the Service to reclaim the funds will attempt to resolve the dispute with the RDFI in a timely manner. If the agency determines that the reclamation was improper, in whole or in part, the agency shall notify the RDFI and shall return the amount of the improperly reclaimed funds to the RDFI. Upon certification by the agency of an improper reclamation, the Service may instruct the appropriate Federal Reserve Bank to credit the account utilized by the RDFI at the Federal Reserve Bank in the amount of the improperly reclaimed funds.

PART 211—DELIVERY OF CHECKS AND WARRANTS TO ADDRESSES OUTSIDE THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS

Sec.
211.1 Withholding delivery of checks.
211.2 Claims for the release of withheld checks or for the proceeds thereof.
211.3 Exceptions.
211.4 Implementing instructions.

AUTHORITY: 5 U.S.C. 301; 31 U.S.C. 321 and 3329.

§ 211.1 Withholding delivery of checks.

(a) It is hereby determined that postal, transportation or banking facilities in general or local conditions in the Republic of Cuba, Democratic Kampuchea, and the Democratic People's Republic of Korea (North Korea) are such that there is not a reasonable assurance that a payee in those areas will actually receive checks or warrants drawn against funds of the United States, or agencies or instrumentalities thereof, and be able to negotiate the same for full value.

(b) A check or warrant intended for delivery in any of the areas named in paragraph (a) of this section shall be withheld unless the check or warrant is specifically released by the Secretary of the Treasury.

(c) Before a check or warrant drawn against funds blocked pursuant to the provisions of Executive Order No. 8389 (3 CFR, 1943 Cum. Supp.), as amended, and which remain blocked under the proviso clause of General License No. 101 of the Foreign Funds Control Regulations (31 CFR 520.101) may be released, it will be necessary for a license authorizing the release to be issued by the Department of the Treasury, Office of Foreign Assets Control, pursuant to E.O. 8389, as amended. In this regard, attention is also directed to the following regulations issued by the Secretary of the Treasury:

(1) The Foreign Assets Control Regulations issued on December 17, 1950 (31 CFR part 500), pursuant to Executive Order 9193 (3 CFR, 1943 Cum. Supp.), which prohibit transactions involving payments to nationals of the Democratic People's Republic of Korea (North Korea), the Socialist Republic of Vietnam, and Democratic Kampuchea, except to the extent that any such payments have been authorized by appropriate license,

(2) The Cuban Assets Control Regulations issued on July 8, 1963 (31 CFR part 515), pursuant to the same authority, which prohibit similar transactions with nationals of Cuba unless licensed, and

(3) The Iranian Assets Control Regulations issued on November 14, 1979 (31 CFR part 535), as amended on April 17, 1980, pursuant to Executive Orders 12170 and 12211, which prohibit transactions in property of the Iranian Government or its instrumentalities and transfers of funds to persons in Iran, except as authorized by appropriate license.

(d) Powers of attorney for the receipt or collection of checks or warrants or for the proceeds of checks or warrants included within the determination of the Secretary of the Treasury set forth in paragraph (a) of this section will not be recognized.

[41 FR 15847, Apr. 15, 1976, as amended at 44 FR 51568, Sept. 4, 1979; 45 FR 47678, July 16, 1980; 61 FR 41739, Aug. 12, 1996]

§ 211.2 Claims for the release of withheld checks or for the proceeds thereof.

Claims for the release of checks or warrants withheld from delivery or for the proceeds thereof, shall be filed with the administrative agency which would have originally authorized such issuance, e.g., claims arising out of

checks or warrants representing payments under laws administered by the Department of Veterans Affairs shall be filed with the Secretary of Veterans Affairs, Department of Veterans Affairs, Washington, DC 20420.

[61 FR 41739, Aug. 12, 1996]

§ 211.3 Exceptions.

The regulations of this part do not apply to payments to foreign governments, nor to checks or warrants issued in payment of salaries or wages, or for goods or services purchased by the Government of the United States in foreign countries, unless such payments are subject to the Foreign Funds Control Regulations (31 CFR part 520), the Foreign Assets Control Regulations (31 CFR part 500), the Cuban Assets Control Regulations (31 CFR part 515), or the Iranian Assets Control Regulations (31 CFR part 535).

[45 FR 47678, July 16, 1980]

§ 211.4 Implementing instructions.

Implementing instructions will be issued in Part IV, ''Disbursing,'' of the Treasury Fiscal Requirements Manual for Guidance of Departments and Agencies.

[41 FR 15847, Apr. 15, 1976]

PART 215—WITHHOLDING OF DISTRICT OF COLUMBIA, STATE, CITY AND COUNTY INCOME OR EMPLOYMENT TAXES BY FEDERAL AGENCIES

Subpart A—General Information

Sec.
215.1 Scope of part.
215.2 Definitions.

Subpart B—Procedures

215.3 Relationship of Standard Agreement to existing agreements.
215.4 Procedures for entering into a Standard Agreement.
215.5 Procedures for an agreement other than a Standard Agreement.

Subpart C—Standard Agreement

215.6 In general.
215.7 Parties.
215.8 Compliance by agencies.
215.9 Withholding certificates.
215.10 Change of legal residence by members of the Armed Forces.
215.11 Agency withholding procedures.
215.12 Miscellaneous provisions.
215.13 Supersession, amendment and termination provisions.

AUTHORITY: 5 U.S.C. 5516, 5517, and 5520 and section 4 of Executive Order 11997, June 22, 1977 (42 FR 31759).

SOURCE: 42 FR 33731, July 1, 1977, unless otherwise noted.

Subpart A—General Information

§ 215.1 Scope of part.

This part relates to agreements between the Secretary of the Treasury and States (including the District of Columbia), cities or counties for withholding of State, city or county income or employment taxes from the compensation of civilian Federal employees, and for the withholding of State income taxes from the compensation of members of the Armed Forces. Subpart A contains general information and definitions. Subpart B prescribes the procedures to be followed in entering into an agreement for the withholding of State, city or county income or employment taxes. Subpart C is the Standard Agreement which the Secretary will enter into with any State, city or county which qualifies to have tax withheld. Requests for deviations from this Standard Agreement will be agreed to by the Secretary only if the State, city or county's unique circumstances require it.

§ 215.2 Definitions.

As used in this part:

(a) *Agency* means each of the executive agencies and military departments (as defined in 5 U.S.C. 105 and 102, respectively) and the United States Postal Service; and in addition, for city or county withholding purposes only, all elements of the judicial branch.

(b) *City* means any unit of general local government.

(1) Which:

(A) Is classified as a municipality by the United States Bureau of the Census, or

(B) Is a town or township which, in the determination of the Secretary of the Treasury,