

FWD ASSIST HQ / CLAIM TOOLKIT / NO. 09

The Two Clocks

The debt letter starts two clocks at once. Everybody watches the long one. The short one is the one that decides whether money keeps coming out of your check while they think about it.

The letter arrives and says you owe money you have already spent. The first reaction is to sit with it for a while, because there is nothing good in that envelope and it does not feel urgent yet.

It is urgent, and not for the reason you would guess. Missing the short clock does not cost you the right to ask. It costs you the money in the meantime.

WHAT IS IN HERE

1. The two clocks, and which one is short
2. Three different letters that sound like the same letter
3. The six-question worksheet
4. A check before you send

This is general education. It is not legal advice, medical advice, or a promise about any claim result. Nobody can promise you an outcome. A VA-accredited representative can help you with your claim at no cost. FWD Assist HQ is not affiliated with the Department of Veterans Affairs or any government agency.

Two clocks

Same letter. Two deadlines. They do completely different jobs.

The clock	What it protects	How long
The long one	Your right to ask for the debt to be waived at all.	One year from the date of the notice of the debt.
The short one	Your money staying in your pocket while VA decides.	Thirty days from the date of the notice.

If you write in within thirty days and either dispute the debt or ask for a waiver, the regulation says offset does not start until that is reviewed or until VA makes an initial decision on the waiver. Offset is the method most veterans actually experience, where the money comes out of the benefit payment itself.

If you write in on day ninety, you still have your waiver request. It is still a real request and it still gets decided. But the withholding will likely have already started, and you are now asking for money back instead of asking for it not to leave.

THE ONE LINE TO REMEMBER

Thirty days is not the deadline to ask. It is the deadline to keep the money while you ask.

Two different clocks, two different consequences. Almost everybody hears about the year and never hears about the thirty days.

ONE HONEST WARNING

The general rule is that using these rights does not stop collection. The thirty-day protection is a specific exception written for collection by offset, and even that has an exception of its own if VA decides collection would be jeopardized by waiting. Do not treat any of this as a guarantee that nothing will happen. Treat it as the reason to move in the first week rather than the second month.

Three letters that sound like one letter

These ask different questions. Sending the wrong one is how people lose a debt they had a real argument against.

1 / DISPUTE: "THIS DEBT IS WRONG"

You are saying the debt does not exist, or the amount is not right. Wrong dates, a dependent VA already knew about, a payment already made, arithmetic that does not add up. This is a factual argument about the number.

Two more things belong here. A 2022 law says VA may not take money from your payments while the existence or amount of the debt is under dispute, and it sets no thirty-day limit. And you cannot owe a debt caused by VA failing to act on information you gave it within its own time standard. If VA sat on a change you reported, say so, with dates.

2 / WAIVER: "THE DEBT IS REAL AND COLLECTING IT IS UNFAIR"

You are not arguing about the number. You are saying recovery would be against equity and good conscience. There is a specific list of things that question turns on, and it is on the next page.

One gate first: waiver is available where there is no indication of fraud, misrepresentation, or bad faith. Any indication of those precludes a waiver outright, whatever the six elements say.

3 / APPEAL: "THE DECISION BEHIND THE DEBT WAS WRONG"

The debt is only a consequence. The reduction, the termination, or the rating change that created it is the real target. This runs on the appeal system and its own deadlines, not on the debt letter's.

Which right, and how to say so

The first sentence does most of the work, because it tells the reader which argument they are answering.

YOU DO NOT HAVE TO PICK ONE

The regulation lists four rights, not three. The fourth is a hearing on the waiver request, and it says these can be exercised separately or simultaneously. If you want a hearing, ask for it in writing within thirty days too: the offset rule ties the same thirty-day window to it.

What causes trouble is not using more than one. It is one letter that mixes the arguments together, so the reader cannot tell which you are making and answers the easiest.

One argument per letter, and the first sentence should say which one.

Whichever one you are making, the opening should do three things: name which of the four rights you are exercising, give the date on the notice, and give the file or claim number printed on it. A dispute says the amount is wrong. A waiver says the amount is right and recovery would be against equity and good conscience. They are different sentences because they are different arguments.

The appeal is not a letter to the collection office at all. It goes through the decision review system on its own form and its own deadline.

So a waiver letter opens roughly like this, in your own words: "I am requesting a waiver of the debt in file number [number], stated in your notice dated [date]. I am not disputing the amount. I am asking for a waiver because recovery would be against equity and good conscience." Then the six questions on the next page, in your own words. That is a shape other people have used, not a form you have to copy.

A payment plan and a compromise are different again. A plan spreads the same balance over time. A compromise offers less than the full balance to settle it. Both are asked for separately from the office collecting, and neither is an argument that you should not have to pay, so do not fold them into a waiver request.

The six questions

These are the elements the regulation names for deciding whether recovery would be against equity and good conscience. The regulation says the list is not intended to be all inclusive, so anything else that matters belongs here too. Answer what applies, skip what does not. Short and honest beats long.

NAME

DATE

1. Fault. What did you do, or not do, that helped create this debt?

Answer this one first and answer it straight. Pretending you had no part in it when you did costs you credibility on the other five.

2. VA's fault. What did VA do, or not do?

Late processing, an overpayment that continued after you reported a change, a notice that never arrived. The regulation weighs their fault against yours.

3. Hardship. Would collecting cost you or your family basic necessities?

Be concrete. Name what specifically stops getting paid. Not "it would be hard." Name the specific bill and the specific month.

4. Purpose. Would taking it back defeat what the benefit was for?

The benefit exists for a reason. If recovery undoes that reason, say how.

5. Unjust enrichment. Did you gain something you should not have kept?

Money spent on rent and groceries the month it arrived is a different fact from money still sitting in an account.

6. Changed position. Did you give something up counting on this money?

Signed a lease, turned down other assistance, took on an obligation, let something else lapse.

Before you send

- ☐ I found the date on the notice and wrote down what day is thirty days out.
- ☐ I also wrote down what day is one year out.
- ☐ I know which of the three arguments I am making, and I said so in the first sentence.
- ☐ If I am sending more than one letter to the collection office, each makes one argument, and I sent them the same day so the thirty-day window covers all of them.
- ☐ If I am also appealing the underlying decision, I did that on its own form through the decision review system, not in a letter to the collection office.
- ☐ I answered the fault question honestly instead of skipping it.
- ☐ I described hardship concretely, not as an adjective.
- ☐ I kept a copy of everything I sent and how I sent it.
- ☐ If I want a hearing on the waiver, I asked for that in writing too, within the same thirty days.
- ☐ I took this to an accredited representative, who can help at no cost.

IF YOU ARE ALREADY PAST THIRTY DAYS

Being past thirty days does not end the right to ask. The period to request a waiver runs for a year, and the regulation allows that year to be computed from when the notice was actually received where a VA error, a postal error, or something outside the person's control delayed it. Late is a worse position than early. It is not the same as no position.

If you think the debt is wrong, dispute anyway, and ask in writing that VA stop taking money while it reviews the dispute. The 2022 law above backs that request. Thirty days is still the number to live by, because VA's own rule and web pages tie the automatic pause to it.

Sending it

WHERE IT GOES, AND WHAT ELSE THEY WILL WANT

Send it to the address on the notice, and put the file or claim number printed on that notice at the top of your letter. Send it a way that gives you proof it arrived, and keep a copy.

If you are arguing hardship, expect to be asked for numbers. VA Form 5655, Financial Status Report (January 2024 version), is where household income and expenses go. Getting that ready alongside your letter saves a round trip.

If you are disputing the amount, ask for the accounting that shows how the debt was calculated. You cannot argue with arithmetic nobody has shown you. Form numbers and versions change, so check at va.gov before you send.

NOBODY SHOULD CHARGE YOU TO FILE

Help from an accredited Veterans Service Officer is free. Always. Disabled American Veterans, the Veterans of Foreign Wars, the American Legion and your state or county veterans service office all have accredited representatives and none of them charges you. The search is at va.gov/get-help-from-accredited-representative/find-rep.

Nobody may charge you a fee for helping with your claim before VA issues its first decision on it. That rule is 38 USC 5904(c)(1). After the first decision an accredited agent or attorney may charge, and 38 CFR 14.636 sets the limits, measured against past-due benefits, which means the back pay owed for the stretch before the decision: a fee not over 20 percent of that is presumed reasonable if that person represented you through the date of the decision, and a fee over one third is presumed unreasonable. Only an accredited agent or attorney may charge you anything.

So if somebody who is not accredited offers to file for you, wants money up front, or wants a cut, walk away and report them to the VA Office of Inspector General at 1-800-488-8244.

Where this is written down

The one-year period to request a waiver and the equity and good conscience standard are in 38 USC 5302 and 38 CFR 1.963. The six elements are listed in 38 CFR 1.965(a), which also says that list is not intended to be all inclusive. The bar where there is any indication of fraud, misrepresentation of a material fact, or bad faith is in 38 CFR 1.963(a) and 1.965(b). The right to dispute, to request waiver, to a hearing on the waiver request, and to appeal the underlying decision, along with the statement that using them does not by itself stay collection, are in 38 CFR 1.911(c). The thirty-day deferral of offset, and the exception where collection would be jeopardized, are in 38 CFR 1.912a. The bar on offset while the existence or amount of a debt is disputed is 38 USC 5314(a)(2), and the bar on a debt caused by VA not processing information within its own timeliness standards is 38 USC 5302B. Both came from Public Law 117-328 in 2022.

Regulation text: [ecfr.gov](https://www.ecfr.gov), Title 38, Part 1, sections 1.911, 1.912a, 1.963 and 1.965. Statute: [uscode.house.gov](https://www.uscode.house.gov), Title 38, sections 5302, 5302B and 5314. Read the deadlines off your own letter, not off this page.

This is general education. It is not legal advice, medical advice, or a promise about any claim result. Nobody can promise you an outcome. A VA-accredited representative can help you with your claim at no cost. FWD Assist HQ is not affiliated with the Department of Veterans Affairs or any government agency.

Current as of October 2026. Regulations change. Check for a newer version before you rely on this.

If working on this is bringing things up, the Veterans Crisis Line is 988 then press 1, or text 838255. Family members can call it too.