**Section 285.1103 Warrants Subject to Deduction**

a) Except as prohibited by federal statute, federal regulation or State statute, the Comptroller shall deduct the amount the Comptroller ascertains is due from any warrant payable to any person against whom there exists an account or claim eligible to be offset.

b) This amount due may be deducted from any warrant, whether or not the warrant originates from the same agency under which the account or claim eligible to be offset arose.

c) If, however, the account or claim eligible to be offset arises from a payroll transaction or other regular payment that is likely to be followed regularly by similar transactions, the Comptroller may deduct the account or claim eligible to be offset from the next regular transaction involving the agency under which the account or claim arose.

d) A settlement payment by the State or any of its agencies to release any pending or potential claim against the State is eligible to be offset.

e) The following are not eligible to be offset:

1) A warrant, payment or transfer in favor of the State of Illinois, or to any officer, board, commission or agency created by the Constitution, whether in the executive, legislative or judicial branch, but other than the circuit court;

2) Any officer, department, board, commission or agency of the State government created by or pursuant to statute, other than any unit of local government and its officers, school districts and boards of election commissioners;

3) Any administrative unit or corporate outgrowth of any of the entities listed in subsections (e)(1) and (2) created by executive order of the Governor.

f) The Comptroller shall not *deduct from funds held by the State Treasurer under the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act* [320 ILCS 25] *or for payments to institutions from the Illinois Prepaid Tuition Trust Fund (unless the Trust Fund moneys are used for child support)*. [15 ILCS 405/10.05]

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)