

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

68-0157 (9-06) - 3091078 - EI

**RYAN J REHR**  
Claimant

**APPEAL NO. 08A-UI-02135-MT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE  
DEVELOPMENT DEPARTMENT**

**OC: 11/11/07 R: 04  
Claimant: Appellant (1)**

Section 96.3-7 – Recovery of Overpayment of Benefits

**STATEMENT OF THE CASE:**

Claimant appealed a representative's decision dated February 20, 2008, reference 03, that concluded claimant was overpaid unemployment insurance benefits in the amount of \$56.70 as a result of a disqualification decision. A telephone hearing was scheduled and held on March 19, 2008 pursuant to due notice. Claimant did participate.

**ISSUE:**

The issue is whether claimant is overpaid unemployment insurance benefits.

**FINDINGS OF FACT:**

The administrative law judge, having considered all of the evidence in the record, finds that: The overpayment issue in this case was created by a disqualification decision that has now been affirmed. However, claimant provided credible sworn testimony that he never received any payments from Workforce Development on this original claim date. Claimant did not receive \$56.70 in unemployment benefits. However, taxes were withheld in the amount of \$56.70 and paid on behalf of claimant. The weekly benefit amount was cancelled prior to issuance of payment. It was the taxes that create the overpayment. Claimant will get the money back as a tax refund or credit for taxes owed. No money was actually paid to claimant but taxes were paid to the government on claimant's behalf.

**REASONING AND CONCLUSIONS OF LAW:**

Iowa Code section 96.3-7 provides:

7. Recovery of overpayment of benefits. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The administrative law judge concludes that claimant is overpaid unemployment insurance benefits in the amount of \$56.70 pursuant to Iowa Code section 96.3-7 as claimant did receive benefits in the form of taxes paid. The overpayment is affirmed.

**DECISION:**

The decision of the representative dated February 20, 2008, reference 03, is affirmed. Claimant is overpaid unemployment insurance benefits in the amount of \$56.70 because of tax withholding.

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Marlon Mormann  
Administrative Law Judge

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Decision Dated and Mailed

mdm/css