

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

JASPER R KIER
Claimant

APPEAL 15A-UI-02029-H2T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**OC: 05/26/13
Claimant: Appellant (1)**

Iowa Code § 96.3(7) – Recovery of Benefit Overpayment
Iowa Code § 421.17(29) – Offset of State Income Tax Refund
871 IAC 25.16 – Offset of State Income Tax Refund

STATEMENT OF THE CASE:

The claimant filed an appeal from the February 5, 2015, reference 05, decision that gave notice that claimant's 2014 Iowa income tax refund was going to be withheld to apply to an overpayment of unemployment insurance benefits, which the claimant owed to Iowa Workforce Development, formerly known as Job Service. After due notice was issued, a hearing was scheduled to be held by telephone conference call on April 14, 2015. The claimant did participate.

ISSUE:

Can the claimant's State of Iowa tax refund be held to recoup his overpayment of unemployment insurance benefits?

FINDINGS OF FACT:

Having reviewed the administrative record, the administrative law judge finds: A decision of the employment appeal board dated October 8, 2013 found the claimant overpaid unemployment insurance benefits. That decision was never appealed to the Iowa district court and has become final.

The overpayment amount was \$1944.00. The state treasurer has notified the Iowa Workforce Development Department that the claimant has an Iowa income tax refund for 2014 of at least \$50.00.

REASONING AND CONCLUSIONS OF LAW:

The issue is whether the withholding of the Iowa income tax refund to recover the prior overpayment is valid. The administrative law judge concludes that it is.

Iowa Code § 421.17(29) sets forth a procedure whereby one state agency may obtain funds owed by a second state agency to an individual to apply to a debt, which that same individual

owes to the first state agency. 871 IAC 25.16 specifically authorizes the Iowa Workforce Development Department to withhold the state income tax refund owing to the claimant to apply to an overpayment of benefits which that same claimant owes to the Iowa Workforce Development Department so long as both amounts are at least \$50.00. The claimant owes the Iowa Workforce Development Department \$1944.00 in benefits he received in 2013 to which he was not entitled and he has an Iowa income tax refund of at least \$50.00. Therefore, the Iowa Workforce Development Department is legally authorized to withhold that Iowa income tax refund up to the amount of the overpayment of benefits, which the claimant owes to the Iowa Workforce Development Department.

DECISION:

The representative's decision dated February 5, 2015, reference 05, is affirmed. The Iowa Workforce Development Department has legal authority to withhold the Iowa income tax refund owed to the claimant to apply to the overpayment of benefits, which that individual owes to the Iowa Workforce Development Department.

Teresa K. Hillary
Administrative Law Judge

Decision Dated and Mailed

tkh/css