

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

ANGELA M RENNER
Claimant

APPEAL NO. 10A-UI-02661-H2T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**Original Claim: 02-03-08
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 11, 2010, reference 02, decision that gave notice that claimant's 2009 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 17, 2010. The claimant did participate.

FINDINGS OF FACT:

Having reviewed the administrative record, the administrative law judge finds: A representative's decision dated February 11, 2010, reference 02, notified claimant of an overpayment related to her repayment of benefits. The overpayment amount was \$1,568.00. The claimant did appeal the April 14, 2008 decision to the Employment Appeal Board, which affirmed the April 14, 2008 decision on June 6, 2008, which has become final. The state treasurer has notified the Iowa Workforce Development Department that the claimant has an Iowa income tax refund for 2009 of at least \$50.00.

Iowa Workforce Development has split the refund between the claimant and her husband, who have filed a joint return.

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 \$1,568.00 in benefits she received in 2008 to which she was not entitled and she 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 11, 2010, reference 02, 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/kjw