

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DARLA J MILLER
Claimant

APPEAL NO: 13A-UI-03800-DWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

OC: 04/26/09
Claimant: Appellant (1)

Iowa Code § 421.17(29) – Offset of State Income Tax Refund
871 IAC 25.16 – Offset of State Income Tax Refund

PROCEDURAL STATEMENT OF THE CASE:

The claimant appealed a representative's March 28, 2013 determination (reference 06) informing her that her Iowa income tax refund was being withheld to offset a previously established overpayment. The claimant participated in the hearing. Based on the evidence, the arguments of the claimant, and the law, the administrative law judge concludes the Department has the authority to use the claimant's state income tax refund to offset a previously established overpayment.

ISSUE:

Does the Department have the legal authority to withhold the claimant's Iowa income tax refund to recover a previously established overpayment?

FINDINGS OF FACT:

The claimant established a claim for benefits during the week of April 26, 2009. On December 14, 2009, a representative determined the claimant had been overpaid \$1,669.00 in benefits she had received between April 26 and July 18, 2009. The record does not establish that the claimant appealed the December 14, 2009 determination.

Overpayment statements were mailed to the claimant in December 2009, January 2010, January 2011, January 2012 and June 2012. The claimant received the overpayment statements but did not agree she had been overpaid and did not have money to pay back the overpayment. As of April 29, 2013, the balance of the overpayment is \$1,611.00. In 2012, the claimant did not make any payments to pay back or reduce the established overpayment.

The claimant's 2012 Iowa state income tax refund is more than \$50.00.

REASONING AND CONCLUSIONS OF LAW:

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 this 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 a remaining balance of \$1,611.00 in benefits she received in 2009. In 2012, the claimant did not make any payment to offset or reduce the overpayment. She has an Iowa income tax refund for 2012 of at least \$50.00. The Department has the legal authority to use the claimant's 2012 Iowa state income tax refund to offset the previously established overpayment.

DECISION:

The representative's March 28, 2013 determination (reference 06) is affirmed. The Department has the legal authority to use the claimant's 2012 Iowa income tax refund to offset the previously established overpayment.

Debra L. Wise
Administrative Law Judge

Decision Dated and Mailed

dlw/pjs