

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**ALLEN R JONES**  
Claimant

**APPEAL NO: 13A-UI-02066-DWT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE  
DEVELOPMENT DEPARTMENT**

**OC: 09/12/10  
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 February 18, 2013 determination (reference 06) that informed him his Iowa State income tax refund was being withheld to offset a previously established overpayment. The claimant participated in the hearing. Marie Jones was available to testify. Based on the evidence, the claimant's arguments, and the law, the administrative law judge concludes the Department has the legal authority to withhold the claimant's 2012 Iowa 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 September 12, 2010. The record indicates that initially he was held monetarily eligible to receive a maximum weekly benefit amount of \$235.00 and a maximum benefit amount of \$3,763.49. On March 2, 2011, a corrected monetary determination was issued holding the claimant eligible to receive a maximum weekly benefit amount of \$231.00 and a maximum benefit amount of \$2,420.10. (Some of the wage credits previously had to be deleted.)

By the time the March 2, 2011 corrected monetary determination had been issued, the claimant had filed for and received benefits for the weeks between September 12, 2010, and January 8, 2011. The claimant used up his maximum benefit amount of \$2,420.10 during the week ending November 27, 2010.

On April 12, 2011, a determination was mailed to the claimant's address of record informing him he had been overpaid a total of \$1,343.38. The claimant does not remember receiving the April 12, 2011 determination or any overpayment statements that were mailed to him on April 18, May 2 and 16, 2011. The claimant verified the Department sent the determination and

overpayment statements to his correct address. This claimant has not appealed the April 12, 2011 overpayment determination.

In 2012, the claimant had not made any payment to the Department to repay the 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 the 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 \$1,343.38 in benefits he received in 2010 and 2011. In 2012, the claimant did not make any payment to offset or reduce the overpayment. He has an Iowa income tax refund for 2012 of at least \$50.00. Even though the claimant does not recall receiving the overpayment determination or the overpayment statements, the Department has legal authority to use the claimant's 2012 Iowa state income tax refund to offset the previously established overpayment.

**DECISION:**

The representative's February 18, 2013 determination (reference 06) is affirmed. The Department has the legal authority to use the claimant's 2012 Iowa income tax refund to offset a previously established overpayment.

---

Debra L. Wise  
Administrative Law Judge

---

Decision Dated and Mailed

dlw/pjs