

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

JULIE L GARCIA
Claimant

APPEAL NO. 10A-UI-06626-S2T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**Original Claim: 11/09/08
Claimant: Appellant (1)**

Section 96.3-7 - Recovery of Benefit Overpayment
871 IAC 25.16 - Offset of State Income Tax Refund

STATEMENT OF THE CASE:

The claimant filed an appeal from a April 21, 2010, reference 05, decision which notified the claimant her Iowa income tax refund was going to be withheld to apply to an overpayment of unemployment insurance benefits that the claimant owed to Iowa Workforce Development. After due notice was issued, a hearing was scheduled to be held by telephone conference call on July 1, 2010. The claimant participated personally.

ISSUE:

The issue is whether the withholding of the Iowa income tax refund to recover the prior overpayment is valid.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and having considered all of the evidence in the record, finds that: The claimant was notified by a representative's decision that she was overpaid unemployment insurance benefits in 2008. The overpayment amount was \$261.00. The decision has become final. The state treasurer has notified the Iowa Workforce Development Department that the claimant has an Iowa income tax refund of at least \$50.00.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the withholding of the Iowa income tax refund to recover the prior overpayment is valid.

Iowa Code section 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 that the 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 \$261.00 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 that the claimant owes to the Iowa Workforce Development Department.

DECISION:

The representative's April 21, 2010 decision (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 that the claimant owes to the Iowa Workforce Development Department.

Beth A. Scheetz
Administrative Law Judge

Decision Dated and Mailed

bas/kjw