

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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**KOFFA P LAWSON**  
Claimant

**DEE ZEE INC**  
Employer

**APPEAL 19A-UI-00984-DB-T**  
**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 12/23/18**  
**Claimant: Appellant (1)**

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Iowa Code § 96.3 – Deduction from benefits  
Iowa Admin. Code r. 871-24.13(2) – Holiday Pay

**STATEMENT OF THE CASE:**

The claimant/appellant filed an appeal from the January 28, 2019 (reference 04) unemployment insurance decision that found claimant was eligible to receive a reduced unemployment insurance benefit for week-ending December 29, 2018 because he received holiday pay, which was considered wages. The parties were properly notified of the hearing. A telephone hearing was held on February 19, 2019. The claimant, Koffa P. Lawson, participated personally. The employer, Dee Zee Inc., did not participate. The administrative law judge took official notice of the claimant's unemployment insurance benefits records.

**ISSUES:**

Did the claimant earn holiday pay during the week-ending December 29, 2018?  
Is that amount deductible from benefits?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds:

The claimant filed for unemployment insurance benefits effective December 23, 2018 due to a short-term layoff with Dee Zee Inc. The short-term layoff began December 23, 2018 and concluded January 1, 2019. Claimant returned to work January 2, 2019. Claimant earned holiday pay of \$100.80 for December 24, 2018 and holiday pay of \$100.80 for December 31, 2018. Claimant's administrative records establish that his weekly benefit amount is \$314.00. Claimant filed a weekly-continued claim for benefits for the week-ending December 29, 2018 but did not file a weekly-continued claim for benefits for the week-ending January 5, 2019.

**REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes the holiday pay was correctly deducted from benefits.

Iowa Code § 96.3 provides in part:

Payment — determination — duration — child support intercept.

1. Payment. Twenty-four months after the date when contributions first accrue under this chapter, benefits shall become payable from the fund; provided, that wages earned for services defined in section 96.19, subsection 18, paragraph “g”, subparagraph (3), irrespective of when performed, shall not be included for purposes of determining eligibility, under section 96.4 or full-time weekly wages, under subsection 4 of this section, for the purposes of any benefit year, nor shall any benefits with respect to unemployment be payable under subsection 5 of this section on the basis of such wages. All benefits shall be paid through employment offices in accordance with such regulations as the department of workforce development may prescribe.

2. Total unemployment. Each eligible individual who is totally unemployed in any week shall be paid with respect to such week benefits in an amount which shall be equal to the individual’s weekly benefit amount.

3. Partial unemployment. An individual who is partially unemployed in any week as defined in section 96.19, subsection 38, paragraph “b”, and who meets the conditions of eligibility for benefits shall be paid with respect to that week an amount equal to the individual’s weekly benefit amount less that part of wages payable to the individual with respect to that week in excess of one-fourth of the individual’s weekly benefit amount. The benefits shall be rounded to the lower multiple of one dollar.

Iowa Admin. Code r. 871-24.13(2)a provides:

(2) Deductible payments from benefits. The following payments are considered as wages and are deductible from benefits on the basis of the formula used to compute an individual’s weekly benefit payment as provided in rule 24.18(96):

a. Holiday pay. However, if the actual entitlement to the holiday pay is subsequently not paid by the employer, the individual may request an underpayment adjustment from the department.

Iowa Admin. Code r. 871—24.18

Wage-earnings limitation. An individual who is partially unemployed may earn weekly a sum equal to the individual’s weekly benefit amount plus \$15 before being disqualified for excessive earnings. If such individual earns less than the individual’s weekly benefit amount plus \$15, the formula for wage deduction shall be a sum equal to the individual’s weekly benefit amount less that part of wages, payable to the individual with respect to that week and rounded to the nearest dollar, in excess of one-fourth of the individual’s weekly benefit amount. This rule is intended to implement Iowa Code sections 96.3, 96.4 and 96.19(38).

The purpose behind all the deductible payment provisions of the unemployment law is to prevent claimants from receiving benefits for any week or portion thereof in which they are also receiving a wage substitute payment from their employer. Claimant earned holiday pay on December 24, 2018. Holiday pay earned on December 24, 2018 is deductible from his weekly benefit amount in accordance with Iowa Admin. Code r. 871-24.18. As such, claimant is eligible for a reduced unemployment insurance benefit amount for the week-ending December 29, 2018

of \$291.00. No weekly-continued claim was filed for the week-ending January 5, 2019 as claimant was back to work for the majority of the work week; therefore no benefits are owed for that week.

**DECISION:**

The January 28, 2019 (reference 04) unemployment insurance decision is affirmed. The claimant is eligible to receive a reduced unemployment insurance benefit for week-ending December 29, 2018, as long as he meets all other eligibility requirements.

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Dawn Boucher  
Administrative Law Judge

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Decision Dated and Mailed

db/rvs