

**97B.9 Contributions — payment and interest.**

1. An employer shall be charged the greater of twenty dollars per occurrence or interest at the combined interest and dividend rate required under [section 97B.70](#) for the applicable calendar year for contributions unpaid on the date on which they are due and payable as prescribed by the system. The system may adopt rules prescribing circumstances for which the interest or charge shall not accrue with respect to contributions required. Interest or charges collected pursuant to [this section](#) shall be paid into the Iowa public employees' retirement fund.

2. If within thirty days after due notice the employer defaults in payment of contributions or interest thereon, the amount due may be collected by civil action in the name of the system, and the employer adjudged in default shall pay the costs of such action. Civil actions brought under [this section](#) to collect contributions or interest thereon shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions.

3. The employer shall pay its contribution from funds available and is directed to pay same from tax money or from any other income of the political subdivision; provided, however, the contributions shall be paid from the same fund as the employee salary.

4. Every political subdivision is hereby authorized and directed to levy a tax sufficient to meet its obligations under the provisions of [this chapter](#) if any tax is needed.

5. Regardless of any potentially applicable statute of limitations, if the system finds that the employer or employee, or both, have erroneously underpaid contributions, the system shall notify the employer and employee in writing of the total amount of the underpayment, including interest, and the employer's and employee's share of the underpayment. The system shall collect from the employer the total amount of the underpayment, including the employer's share, the employee's share, and the interest assessed to both shares of the underpayment, regardless of whether the employee has reimbursed the employer for the employee's share of the underpayment. The employee shall be obligated to pay only the employee's share of the underpaid contributions, without interest, to the employer. The employer may collect the employee's share of underpaid contributions from the employee or the employee's estate. The employer may collect the employee's share through a deduction from the employee's wages, or by maintaining a legal action against the employee or the employee's estate. For purposes of section 1526 of the federal Taxpayer Relief Act of 1997, eligible participants, as defined by section 1526, may make payments of contributions under [this section](#) without regard to the limitations of section 415(c)(1) of the federal Internal Revenue Code.

[C46, 50, §97.6, 97.8, 97.9, 97.12; C54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §97B.9]

[88 Acts, ch 1242, §15](#); [98 Acts, ch 1183, §10](#); [2000 Acts, ch 1077, §22, 23](#); [2001 Acts, ch 68, §21, 24](#); [2003 Acts, ch 145, §286](#); [2008 Acts, ch 1171, §24, 48](#)