

CHAPTER 20  
FILING AND EXTENSION OF TAX LIENS  
AND CHARGING OFF UNCOLLECTIBLE TAX ACCOUNTS

[Prior to 12/17/86, Revenue Department[730]]  
[Prior to 11/2/22, see Revenue Department[701] Ch 9]

Chapter rescission date pursuant to Iowa Code section 17A.7: 5/22/29

**701—20.1(422,423) Definitions.** As used in the rules contained herein, the following definitions apply unless the context otherwise requires:

“*Assessment issued*” means the same as defined in Iowa Code section 422.26(10).

“*Charge off*” means moving an unpaid account to inactive status. “Charge off” does not mean the account is deleted from the department’s records or that the account is not due and owed. Charge off does not prevent the department from recovering all or part of the account through actions including but not limited to bankruptcy, probate, or setoff or through voluntary payment.

“*Department*” means the Iowa department of revenue.

“*Director*” means the director of the department or the director’s authorized representative.

“*Lien*” means the legal right or interest against personal or real property provided by Iowa Code section 422.26 or other Iowa Code sections making reference to Iowa Code section 422.26.

“*Recorder*” means the county recorder of any county in the state of Iowa.

“*Taxes*” means all taxes or charges administered by the department and any tax or charge to which Iowa Code section 422.26 applies.

[ARC 7835C, IAB 4/17/24, effective 5/22/24]

**701—20.2(422,423) Place of filing.**

**20.2(1)** A notice of lien may be filed in the office of the recorder in any county.

**20.2(2)** The director may charge off any account before the lien has lapsed if the taxpayer meets one or more of the following criteria:

*a.* The taxpayer is deceased, and there are no assets in the estate or there are no assets available for the payment of taxes under Iowa Code section 633.425.

*b.* The taxpayer is a corporation that has dissolved or ceased to exist with no assets remaining.

*c.* The taxpayer is retired because of age or total disability (as described in rule 701—104.12(425)) with income and assets such that it would cause the taxpayer undue financial hardship if the department enforced collection of past due taxes. The director may require other evidence to determine when collection of tax would be a hardship on a taxpayer.

*d.* The taxpayer has unpaid tax amounting to less than \$50.

*e.* The taxpayer cannot be found, after diligent inquiry, and has no property upon which the lien can attach.

*f.* The taxpayer is insolvent with no property, real or personal, upon which the lien can attach.

[ARC 7835C, IAB 4/17/24, effective 5/22/24]

**701—20.3(422,423) Fees.**

**20.3(1)** Pursuant to Iowa Code sections 422.26(1) and 331.604, a fee of \$20 will be added to the unpaid liability of the taxpayer at the time the lien is filed. If two or more pages are required for the lien, an additional fee of \$5 per page will be added to the unpaid liability of the taxpayer.

**20.3(2)** Reserved.

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These rules are intended to implement Iowa Code section 422.26.

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