

CHAPTER 25
CHALLENGES TO ADMINISTRATIVE LEVIES

[Prior to 11/2/22, see Revenue Department[701] Ch 154]

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

701—25.1(421) Administrative levies. For purposes of this chapter, “administrative levy” means an administrative wage assignment or an administrative levy against accounts.

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

701—25.2(421) Challenges to administrative levies. A challenge to an administrative levy against an account can only be made by an obligor or a person named on the account. Challenges may be submitted to the department via the manner described on the challenge notice furnished to the obligor by the department pursuant to Iowa Code section 421.17A(3) or 421.17B(3).

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

701—25.3(421) Challenge procedure. A challenge to an administrative levy will be reviewed by the central collections unit of the department. This review is not subject to the provisions of Iowa Code chapter 17A.

25.3(1) Upon receipt of a timely challenge, the central collections unit of the department will review the obligor’s account and contact the obligor. If the central collections unit of the department declines to release the levy, a telephone hearing will be scheduled.

25.3(2) When a telephone hearing is scheduled, the central collections unit of the department will send a notice to the obligor containing the hearing time.

25.3(3) The central collections unit will issue a decision in writing.

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

701—25.4(421) Form and time of challenge. The obligor or an account holder of interest must submit a written challenge to an administrative levy within ten days of the date of the notice. Challenges must be submitted to the department in the manner described on the notice furnished by the department to the obligor or account holder of interest.

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

701—25.5(421) Issues that may be raised. The issues raised by the challenging party, which are limited to a mistake of fact, may include but are not limited to:

1. The challenging party has the same name as the obligor but is not the obligor.
2. The challenging party does not have an interest in the account that is being seized.
3. The amount listed in the notice to the obligor is greater than the amount actually owed.
4. In cases of non-tax debt, exemptions claimed by the debtor under state or federal law.

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

These rules are intended to implement Iowa Code sections 421.17, 421.17A, and 421.17B.

[Filed 3/8/96, Notice 1/31/96—published 3/27/96, effective 5/1/96]

[Editorial change: IAC Supplement 11/2/22]

[Filed ARC 6872C (Notice ARC 6748C, IAB 12/14/22), IAB 2/8/23, effective 3/15/23]

[Filed ARC 7835C (Notice ARC 7181C, IAB 12/13/23), IAB 4/17/24, effective 5/22/24]