

**11—40.2 (8A) Scope and purpose.**

**40.2(1) Purpose.** The purpose of these rules is to establish a procedure by which public agencies can participate in the department's offset program by identifying debtors who owe liabilities to those public agencies and to establish a procedure for offsetting those liabilities against claims owed to debtors by public agencies.

**40.2(2) Collection.** Agencies may collect debts under the provisions of Iowa Code section 8A.504 through the daily processing and income tax refund offset programs.

**40.2(3) Inclusions in and exclusions from setoff.** The offset system may be used to collect any debt described in Iowa Code section 8A.504 as long as the conditions of rule 11—40.3(8A) are satisfied. However, some claims against public agencies on behalf of certain debtors are made from funds exempt from collection and are thus unavailable for offset. A consolidated listing of payment sources unavailable for offset is available from the department's state accounting enterprise.

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