

## Red Tape Review Rule Report (Due: September 1, 20 23 )

<b>Department Name:</b>	Department of Revenue	<b>Date:</b>	September 1, 2023	<b>Total Rule Count:</b>	57
<b>IAC #:</b>	701	<b>Chapter/ SubChapter/ Rule(s):</b>	20, 21, 22, 23, 24, 25	<b>Iowa Code Section Authorizing Rule:</b>	Iowa Code sections 421.17, 422.25, 252J, 453B, 472D
<b>Contact Name:</b>	Nick Behlke	<b>Email:</b>	nick.behlke@iowa.gov	<b>Phone:</b>	515-336-9025

**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

**What is the intended benefit of the rule?**

These rules describe the Department’s practices and procedures related to the collection of tax debt and debt owed to other state agencies. The rules are intended to help the public understand their obligations, rights, and common procedures utilized in the collection of debt. Chapter 20 provides practices and procedures the Department will follow in filing liens on property to establish a priority interest in assets of the taxpayer for unpaid debt. Chapter 21 provides when and how the Department may offset a taxpayer’s federal refund via the Treasury Offset Program to satisfy state income tax obligations. Chapter 22 contains requirements for other state agencies and local government entities to place their debt with the Department for collection. Chapter 23 contains a rule implementing the Department’s authority to seize and sell property to collect tax debt and other delinquent liabilities collected by or owed to the State of Iowa. Chapter 24 provides requirements of the Department for sanctioning a professional or other license and the procedure for challenging. Chapter 25 contains the procedure for a debtor to challenge a wage or bank levy issued by the Department.

**Is the benefit being achieved? Please provide evidence.**

To the extent the Department proposes to re-promulgate rules, the Department has determined that the rules aid the public in better understanding the Department’s procedures and their rights in regard to various debt collection mechanisms. The evidence for the benefit of the rules is demonstrated from the text of the rules themselves and the greater certainty they provide to the public about debt collection practices.

**What are the costs incurred by the public to comply with the rule?**

There is no cost to comply with these rules. Any costs are associated with the underlying statutes.

**What are the costs to the agency or any other agency to implement/enforce the rule?**

There are no costs to the agency of implementing these rules beyond those that would otherwise be required to administer the statute. There are administrative costs involved in all debt collection procedures.

**Do the costs justify the benefits achieved? Please explain.**

There are no costs of the rules themselves. The cost of inaction would be confusion about the Department’s debt collection practices and procedures.

**Are there less restrictive alternatives to accomplish the benefit?**  YES  NO

**If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.**

The rules have been revised where possible to rescind statutory text or obsolete language. The rules that will be re-promulgated have been determined to be necessary to implement the authority of the Department to collect debt. There is no less restrictive alternative to achieve the benefit of additional certainty.

**Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or un-necessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]**

***PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE***

Yes. Each of these chapters contains language that is outdated, redundant, or unnecessary.

**RULES PROPOSED FOR REPEAL (list rule number[s]):**

20.2, 20.3, 20.5, 20.7

21.1, 21.5, 21.6, 21.7

22.2, 22.5, 22.6, 22.7, 22.8

23.3

24.2, 24.3, 24.4, 24.8, 24.14

25.1, 25.2, 25.6, 25.7, 25.9-25.16

**RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):**

20.1 is amended for clarity and to remove language duplicative of the statute.

20.6 is amended for clarity and to remove language duplicative of statute.

21.2 is amended for clarity.

21.3 is amended to remove language duplicative of state and federal statute and to remove obsolete language.

21.4 is amended to remove language duplicative of state and federal statute and to remove obsolete language.

22.1 is amended for clarity.

22.2 is amended for clarity.

23.1 is amended for clarity.

23.2 is amended to remove obsolete language.

24.1 is amended for clarity.  
 24.6 is amended for clarity.  
 24.7 is amended for clarity.  
 24.9 is amended to remove language that is duplicative of statute.  
 24.14 is amended to remove language duplicative of statute.  
 25.3 is amended for clarity.  
 25.4 is amended for clarity.  
 25.5 is amended to remove language duplicative of statute and obsolete language.

22.9, 25.17 and 25.18 are being re-promulgated in a new chapter 27 with edits to remove language duplicative of statute and for clarity. This new chapter is being created to aid the public in find rules on the publication of debtor names because the rules cover similar topics and were not easy to locate in their existing chapters.

The text of the proposed rules will be published with the Regulatory Analysis in the Iowa Administrative Code Bulletin in the coming months.

***\*For rules being re-promulgated with changes, you may attach a document with suggested changes.***

**METRICS**

<b>Total number of rules repealed:</b>	<b>31</b>
<b>Proposed word count reduction after repeal and/or re-promulgation</b>	<b>5,032</b>
<b>Proposed number of restrictive terms eliminated after repeal and/or re-promulgation</b>	<b>66</b>

**ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?**

None.