

CHAPTER 270A

REVENUE RECAPTURE ACT

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270A.02 PURPOSE.

The purpose of this chapter is to establish a system of collecting debts owed to state government, the University of Minnesota, or to certain local governmental units by applying any of the debtor's tax refunds to the amount of his debt. To further this purpose a policy of cooperation is established between the department of revenue and claimant agencies in identifying individuals who both owe a claimant agency money and qualify for a tax refund.

History: 1985 c 235 s 1

270A.03 DEFINITIONS.

[For text of subd 1, see M.S.1984]

Subd. 2. "Claimant agency" means any state agency, as defined by section 14.02, subdivision 2, the regents of the University of Minnesota, any district court of the state, any county, and any public agency responsible for child support enforcement.

[For text of subds 3 to 7, see M.S.1984]

History: 1985 c 235 s 2

270A.07 PROCEDURE FOR SET-OFF COLLECTION.

Subdivision 1. **Notification requirement.** On or before December 15 any claimant agency, seeking collection of a debt through set-off against a refund due in the succeeding year, shall submit to the commissioner information indicating the amount of each debt and information identifying the debtor, as required by section 270A.04, subdivision 3. Subject to the notification deadline specified above, the notification shall be effective only to initiate set-off for claims against refunds that would be made in the calendar year subsequent to the year in which notification is made to the commissioner.

The claimant agency shall submit to the commissioner the amount of \$3 per certification. The payment must accompany the certification. The claimant agency shall increase the amount of each debt certified by \$3 and this total amount is subject to recapture. If the total debt is not recaptured by the commissioner, the \$3 addition to the debt may be collected by the claimant agency from the debtor and must be considered an obligation of the debtor. The \$3 will not be refunded if the recapture is not accomplished.

[For text of subds 2 to 4, see M.S.1984]

Subd. 5. **Interest on refunds.** Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the

debtor. The sum wrongfully or incorrectly withheld shall bear interest at the rate specified in section 270.76, computed from the date when the refund would begin to bear interest under section 290.92, subdivision 13, clause (1), regardless of whether the refund is payable under chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.

History: *1Sp1985 c 13 s 308; 1Sp1985 c 14 art 15 s 4*