

CHAPTER 270A

REVENUE RECAPTURE ACT

270A.02 Repealed.
 270A.03 Definitions.
 270A.07 Procedure for set-off collection.

270A.09 Contested claims procedure.
 270A.10 Priority of claims.

270A.02 [Repealed, 1987 c 261 s 5]

270A.03 DEFINITIONS.

[For text of subd 1, see M.S.1986]

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, any public agency responsible for child support enforcement, and any public agency responsible for the collection of court-ordered criminal restitution.

[For text of subds 3 and 4, see M.S.1986]

Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. The term includes criminal fines imposed under section 609.10 and restitution. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment. A debt does not include (1) any legal obligation of a current recipient of assistance which is based on overpayment of an assistance grant, or (2) any legal obligation to pay a claimant agency for medical care, including hospitalization if the debtor would have qualified for a low income credit equal to tax liability pursuant to Minnesota Statutes 1984, section 290.06, subdivision 3d, clause (1), at the time when the medical care was rendered, provided that, for purposes of this subdivision, the income amounts in that section shall be adjusted for inflation for debts incurred in calendar years 1987 and thereafter. The dollar amount of each income level that applied to debts incurred in the prior year shall be increased in the same manner as provided in section 290.06, subdivision 2d, for the expansion of the tax rate brackets.

[For text of subds 6 and 7, see M.S.1986]

Subd. 8. "Restitution" means money due to a crime victim under an order of restitution issued by a court under section 609.10 or 609.125 as part of a sentence or as a condition of probation.

History: 1987 c 261 s 1-3

270A.07 PROCEDURE FOR SET-OFF COLLECTION.

Subdivision 1. **Notification requirement.** Any claimant agency, seeking collection of a debt through set-off against a refund due, 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. Where the notification is received before July 1, the notification shall be effective only to initiate set-off for claims against refunds that would be made in the same calendar year. Where the notification is received on or after July 1, the notification is effective only to begin set-off for claims against refunds that would be made in the next calendar year.

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 5, see M.S.1986]

History: 1987 c 268 art 17 s 9

270A.09 CONTESTED CLAIMS PROCEDURE.

[For text of subd 1, see M.S.1986]

Subd. 1a. Notwithstanding subdivision 1, any debtor contesting a setoff claim by the department of jobs and training shall have a hearing conducted in the same manner as an appeal under section 268.12, subdivision 13.

[For text of subd 2, see M.S.1986]

History: 1987 c 385 s 48

270A.10 PRIORITY OF CLAIMS.

If two or more debts, in a total amount exceeding the debtor's refund, are submitted for set-off, the priority of payment shall be as follows: First, any delinquent tax obligations of the debtor which are owed to the department shall be satisfied. Secondly, the refund shall be applied to debts for child support based on the order in time in which the commissioner received the debts. Thirdly, the refund shall be applied to the remaining debts based on the order in time in which the commissioner received the debts.

History: 1987 c 261 s 4