

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 633

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Version: As introduced

Authors: Osskopp and others

Subject: Revenue Recapture - Child Support

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Overview

This bill reverses the order of priority for revenue recapture by giving child support debts first priority and unpaid taxes second priority. Revenue recapture is the state program that intercepts or uses tax refunds to reduce obligations of the taxpayer to the state and other public and private entities.

Section

- 1 **Authority to offset overpayments.** Requires the commissioner of revenue to apply overpayments of tax liability first to reduce child support debt. Under present law, the commissioner has authority to credit overpayments first against unpaid state taxes.
- 2 **Revenue recapture priority.** Establishes that child support debts are the first priority for use of moneys under revenue recapture; satisfying unpaid taxes or other debts owed to the department of revenue would become second priority. Under present law, child support debts are the second priority and unpaid taxes are the first priority under revenue recapture.
Effective date. These changes are effective for revenue recapture claims submitted after June 30, 2002.