

**DEPARTMENT OF TAXATION  
2015 Fiscal Impact Statement**

1. **Patron** Thomas K. Norment, Jr.
3. **Committee** Passed House and Senate
4. **Title** Local Taxes; Commissioners of the Revenue  
May Compel Production of Documents

2. **Bill Number** SB 1177  
**House of Origin:**  
           **Introduced**  
           **Substitute**  
           **Engrossed**
- Second House:**  
           **In Committee**  
           **Substitute**  
      X **Enrolled**

**5. Summary/Purpose:**

This bill would authorize local commissioners of the revenue to compel taxpayers to produce documents for purposes of assessing local taxes. Additionally, local commissioners and their deputies would be authorized to administer oaths before questioning taxpayers regarding tax liability. The bill would authorize any court to compel a taxpayer to comply with a local commissioner's summons or to produce required documents. Finally, the bill would authorize the local commissioner and his deputy to serve writs, warrants, notices, summonses, or other processes that the commissioner may issue. Under the bill's terms, the commissioner would be authorized to direct this process to the sheriff for service.

Under current law, local commissioners of the revenue may summon taxpayers to appear to respond, under oath, to questions regarding the tax liability of any specifically identified taxpayers. The commissioner is prohibited from summoning a taxpayer regarding a tax liability that is in litigation.

The effective date of this bill is not specified.

6. **Budget amendment necessary:** No.

7. **No Fiscal Impact** (See Line 8.)

8. **Fiscal implications:**

This bill would have no impact on local or state revenues.

9. **Specific agency or political subdivisions affected:**

All localities

10. **Technical amendment necessary:** No.

## 11. Other comments:

Current law allows local commissioners of the revenue to summon taxpayers to respond to questions, under oath, regarding the tax liability of any specifically identified taxpayers. The commissioner is prohibited from summoning a taxpayer regarding a tax liability that is in litigation.

Any person who refuses to: 1) furnish access to books of accounts or information relating to the assessment of taxes; 2) answer under oath questions regarding his tax liability; or 3) exhibit to the commissioner any subject of taxation liable to assessment by the commissioner can be convicted of a Class 3 misdemeanor. Each day's refusal to furnish such access is a separate offense. Only the taxpayer can be convicted unless there is willful failure by another to comply with a summons properly issued.

### Proposal

This bill would authorize local commissioners of the revenue to compel taxpayers to produce documents for purposes of assessing local taxes. Additionally, commissioners and their deputies would be authorized to administer oaths before questioning taxpayers regarding tax liability. The bill would authorize any court to compel a taxpayer to comply with a commissioner's summons or to produce the required documents. Finally, the bill would authorize the local commissioner or his deputy to serve writs, warrants, notices, summonses, or other process that the commissioner may issue. Under the bill's terms, the commissioner would be authorized to direct this process to the sheriff for service.

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cc : Secretary of Finance

Date: 3/2/2015 KP  
DLAS File Name: SB1177FER161