

DEPARTMENT OF TAXATION

2008 Fiscal Impact Statement

1. **Patron** Mamie Locke

2. **Bill Number** SB 239

3. **Committee** Senate Finance

House of Origin:

 X **Introduced**

 Substitute

 Engrossed

4. **Title** Secrecy of Tax Information; Access for Fire,
Police and Rescue.

Second House:

 In Committee

 Substitute

 Enrolled

5. **Summary/Purpose:**

This bill would authorize the local commissioner of the revenue, treasurer, director of finance, or other local official to provide direct access to taxpayer information, including direct computer access, for use by fire, rescue, or police personnel for official actions in the line of duty. In order to provide such direct access, the commissioner of the revenue, treasurer, director of finance, or other local official would be required to enter into an agreement with the director, chief, or other head of the emergency services department serving the locality.

The effective date of this bill is not specified.

6. **Fiscal Impact Estimates are:** Preliminary. (See Line 8.)

7. **Budget amendment necessary:** No.

8. **Fiscal implications:**

There would be no administrative cost to TAX to implement this bill. In addition, this bill would have no impact on state revenues. Localities that use the authority granted by this bill to provide the fire, rescue, or police personnel access to taxpayer information may incur administrative costs associated with entering into the agreement and providing the information.

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

All Localities

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

11. Other comments:

Current law

The Tax Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or employee, or any person to whom tax information is divulged must not divulge any information acquired by him in the performance of his duties with respect to the transactions, property, including personal property, income or business of any person, firm or corporation.

This restriction is not absolute, however. Such information may be accessed by outside parties if a subpoena is obtained from a grand jury.

Proposal

This bill would authorize the local commissioner of the revenue, treasurer, director of finance, or other local official to provide direct access to taxpayer information, including direct computer access, for use by fire, rescue, or police personnel for official actions in the line of duty.

In order to provide such direct access, the commissioner of the revenue, treasurer, director of finance, or other local official would be required to enter into an agreement with the director, chief, or other head of the emergency services department serving the locality. Such an agreement would be required to provide that the direct access to taxpayer information would be limited for use by fire, rescue or police personnel for official actions in the line of duty. The agreement would also be required to provide for the implementation of information systems security measures and other security measures relating to taxpayer information in order to ensure that direct access to taxpayer information is limited to the personnel and used in the line of duty.

Similar Legislation

House Bill 662 would clarify that information and documents that are required to be provided to the state government in order to qualify for the Land Preservation Tax Credit are confidential.

House Bill 702 would authorize the local commissioners of the revenue and treasurers to provide access to their databases to the local police and fire departments for investigative purposes when there is no other means of acquiring such information. The commissioner of the revenue and the treasurer would be required to create and publish guidelines explaining the procedures required to access their databases.

cc : Secretary of Finance

Date: 1/21/2008 jkl
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