

By: Representatives Brown, Whittington, Mayo To: Judiciary A

HOUSE BILL NO. 1611

1 AN ACT TO REQUIRE THE ATTORNEY GENERAL, THE STATE TAX
2 COMMISSION, THE DEPARTMENT OF PUBLIC SAFETY AND THE BUREAU OF
3 NARCOTICS TO CREATE A TASK FORCE TO FACILITATE THE INVESTIGATION
4 AND PROSECUTION OF DRUG TRAFFICKING KINGPINS REGARDING TAX EVASION
5 AND OTHER CRIMES; TO REQUIRE REPORTING AND DETERMINATIONS OF
6 POSSIBLE VIOLATIONS OF LAW BEFORE PROSECUTION; TO AUTHORIZE A
7 CRIMINAL INVESTIGATOR TO BE EMPLOYED BY THE STATE TAX COMMISSION;
8 TO REQUIRE THAT CERTAIN INFORMATION SHALL BE CONFIDENTIAL; TO
9 DEFINE CERTAIN TERMS; TO AMEND SECTION 27-3-79, MISSISSIPPI CODE
10 OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; TO AUTHORIZE
11 THE ATTORNEY GENERAL TO PROMULGATE RULES AND REGULATIONS; AND FOR
12 RELATED PURPOSES.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

14 **SECTION 1.** (1) The Attorney General, the State Tax
15 Commission, the Department of Public Safety and the Bureau of
16 Narcotics shall create a task force to facilitate the transfer of
17 information from law enforcement agencies to the Attorney General
18 indicating that an individual is a drug trafficking kingpin, is
19 laundering money received from drug trafficking and is likely
20 evading the income reporting requirements of state law. The
21 Attorney General shall examine all relevant information to
22 determine the probability that such violations of law exist. The
23 Attorney General may enlist the aid of any other law enforcement
24 agency in the state in an investigation under this section. If
25 the Attorney General determines that tax evasion is probably
26 occurring, he shall forward the information to the State Tax
27 Commission with a request that the State Tax Commission perform a
28 criminal tax evasion investigation. The State Tax Commission
29 shall report its preliminary findings to the Attorney General
30 within one hundred twenty (120) days after receiving the
31 information.



32 (2) If the State Tax Commission's report to the Attorney
33 General indicates that the individual who is the subject of the
34 investigation has failed to report income as required by law and
35 such failure constitutes a criminal violation, the Attorney
36 General is authorized to prosecute the individual for criminal tax
37 violations. The Attorney General is authorized to file an exparte
38 petition for release of tax information pursuant to Section
39 27-7-83 to the Bureau of Narcotics for presentation to appropriate
40 state or federal prosecutors for the prosecution of federal tax
41 offenses or other applicable offenses.

42 (3) Subject to available funding, the State Tax Commission
43 is authorized to employ a criminal investigator to carry out the
44 investigative and reporting requirements of this section.

45 (4) Any information received by the Attorney General, the
46 State Tax Commission, the Bureau of Narcotics or other law
47 enforcement agency shall be confidential except to the extent that
48 disclosure is necessary to pursue tax evasion or other criminal
49 tax charges or unless a proper judicial order is obtained pursuant
50 to Section 27-7-83. Information received under this section is
51 exempt from the Mississippi Public Records Act of 1983.

52 (5) As used in this section:

53 (a) "Drug trafficking kingpin" means an individual who
54 directs or participates in directing the illegal activities of a
55 kingpin organization.

56 (b) "Kingpin organization" means a group of
57 individuals, operating as a group either formally or informally,
58 who sell, transport and/or deliver controlled substances in felony
59 violation of the Uniform Controlled Substances Law. To qualify as
60 a kingpin organization, the group would either have to distribute
61 major quantities of controlled substances, or their trafficking
62 activities would have to occur in or affect more than one (1)
63 circuit court district.



64 **SECTION 2.** Section 27-3-79, Mississippi Code of 1972, is
65 amended as follows:

66 27-3-79. (1) The State Tax Commission shall develop and
67 implement a tax amnesty program in accordance with the provisions
68 herein contained. The program shall commence on September 1,
69 1986, and end on November 30, 1986. The program shall apply to
70 all taxes which are required to be collected by the State Tax
71 Commission or Commissioner and which were first due and payable in
72 any year prior to 1986. Tax amnesty shall be available to any
73 individuals or corporations who are liable for such taxes and who
74 have failed to pay all or any portion of their taxes, failed to
75 file returns or filed inaccurate returns; however, tax amnesty
76 shall not be available to individuals or corporations subject to
77 tax-related criminal investigations or prosecution, or where the
78 taxes have been previously assessed by the commission, or to
79 estimated tax payments required to be made under Section 27-7-319.
80 All civil and criminal penalties for nonpayment of taxes,
81 including the penalties set forth in subsection (2) of this
82 section, shall be waived for any eligible individual or
83 corporation who, during the tax amnesty period, makes total
84 payment of the taxes due. The State Tax Commission is authorized
85 to do all things necessary to carry out the tax amnesty programs
86 which are not inconsistent with this section.

87 (2) Any person eligible for the tax amnesty program and who
88 fails to make total payment of the taxes due during the tax
89 amnesty period or any person who, after July 1, 1986, willfully
90 attempts in any manner including violations determined under
91 Section 1 of House Bill No. _____, 2002 Regular Session, to evade
92 or defeat any tax imposed by the State Tax Commission, or assists
93 in the evading of such tax or the payment thereof shall, in
94 addition to other penalties provided by law, be guilty of a felony
95 and, upon conviction thereof, shall be fined not more than One
96 Hundred Thousand Dollars (\$100,000.00) and, in the case of a



97 corporation, not more than Five Hundred Thousand Dollars
98 (\$500,000.00), or imprisoned not more than five (5) years, or
99 both.

100 (3) Any prosecutions for tax evasion as described in this
101 section shall be commenced within six (6) years next after the
102 statutory due date for the taxes in issue.

103 **SECTION 3.** The Attorney General is authorized to promulgate
104 any necessary rules and regulations to carry out the provisions of
105 this act.

106 **SECTION 4.** This act shall take effect and be in force from
107 and after July 1, 2002.

