

By: Representative Carlton (By Request)

To: Ways and Means

HOUSE BILL NO. 1325

1 AN ACT TO ESTABLISH A REWARD PROGRAM TO REWARD CITIZENS WHO
2 REPORT PERSONS LIABLE FOR UNPAID TAXES; TO AUTHORIZE THE STATE TAX
3 COMMISSION TO PROMULGATE RULES AND REGULATIONS TO CARRY OUT THE
4 PURPOSES OF THIS ACT; TO AMEND SECTION 27-3-79, MISSISSIPPI CODE
5 OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) The State Tax Commission is authorized to
8 establish a reward program to reward citizens who report persons
9 liable for unpaid taxes. The commission shall investigate reports
10 of unpaid taxes and if such investigation results in the recovery
11 of unpaid taxes, the citizen who made the report shall receive an
12 award of ten percent (10%) of the amount of such unpaid taxes.

13 (2) The State Tax Commission shall promulgate any necessary
14 rules and regulations to establish administrative procedures,
15 hearings and any other purposes necessary to carry out the
16 provisions of this act.

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

19 27-3-79. (1) The State Tax Commission shall develop and
20 implement a tax amnesty program in accordance with the provisions
21 herein contained. The program shall commence on September 1,
22 1986, and end on November 30, 1986. The program shall apply to
23 all taxes which are required to be collected by the State Tax
24 Commission or Commissioner and which were first due and payable in
25 any year prior to 1986. Tax amnesty shall be available to any
26 individuals or corporations who are liable for such taxes and who
27 have failed to pay all or any portion of their taxes, failed to
28 file returns or filed inaccurate returns; however, tax amnesty

29 shall not be available to individuals or corporations subject to
30 tax-related criminal investigations or prosecution, or where the
31 taxes have been previously assessed by the commission, or to
32 estimated tax payments required to be made under Section 27-7-319.
33 All civil and criminal penalties for nonpayment of taxes,
34 including the penalties set forth in subsection (2) of this
35 section, shall be waived for any eligible individual or
36 corporation who, during the tax amnesty period, makes total
37 payment of the taxes due. The State Tax Commission is authorized
38 to do all things necessary to carry out the tax amnesty programs
39 which are not inconsistent with this section.

40 (2) Any person eligible for the tax amnesty program and who
41 fails to make total payment of the taxes due during the tax
42 amnesty period or any person who, after July 1, 1986, willfully
43 attempts in any manner to evade or defeat any tax imposed by the
44 State Tax Commission, or assists in the evading of such tax or the
45 payment thereof shall, in addition to other penalties provided by
46 law, be guilty of a felony and, upon conviction thereof, shall be
47 fined not more than One Hundred Thousand Dollars (\$100,000.00)
48 and, in the case of a corporation, not more than Five Hundred
49 Thousand Dollars (\$500,000.00), or imprisoned not more than five
50 (5) years, or both.

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

54 (4) Citizens reporting unpaid taxes shall be eligible for a
55 reward as provided in Section 1 of this act.

56 **SECTION 3.** This act shall take effect and be in force from
57 and after July 1, 2004.