

By: Representative Lamar

To: Ways and Means

## HOUSE BILL NO. 1095

1 AN ACT TO AUTHORIZE THE COMMISSIONER OF REVENUE TO DEVELOP  
2 PROCEDURES FOR THE RECEIPT AND CONSIDERATION OF OFFERS TO  
3 COMPROMISE AND SETTLE FINALLY DETERMINED TAX LIABILITIES THAT ARE  
4 DOUBTFUL CLAIMS; TO AUTHORIZE THE COMMISSIONER OF REVENUE TO ENTER  
5 INTO AN AGREEMENT WITH A TAXPAYER UNDER WHICH A FINALLY DETERMINED  
6 TAX LIABILITY THAT IS A DOUBTFUL CLAIM IS SETTLED AND COMPROMISED;  
7 TO PROVIDE THAT IF THE SETTLEMENT AGREEMENT IS APPROVED BY THE  
8 GOVERNOR, THE AGREEMENT SHALL BE BINDING AND A TAXPAYER'S  
9 LIABILITIES FOR TAXES, INTEREST AND PENALTIES WILL BE FULLY AND  
10 FINALLY COMPROMISED; TO PROVIDE THAT IF THE COMMISSIONER OF  
11 REVENUE LATER DETERMINES THAT THE TAXPAYER MISREPRESENTED THE  
12 FINANCIAL CONDITION OF THE TAXPAYER OR ANY PROPERTY BELONGING TO  
13 THE TAXPAYER OR OTHER PERSON LIABLE FOR THE TAX, ALL COMPROMISED  
14 LIABILITIES MAY BE REESTABLISHED; TO AMEND SECTION 31-19-27,  
15 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A DOUBTFUL CLAIM IS A  
16 CLAIM FOR A FINALLY DETERMINED TAX LIABILITY FOR WHICH A NOTICE OF  
17 TAX LIEN HAS BEEN ENROLLED IN THE UNIFORM STATE TAX LIEN REGISTRY  
18 AND FOR THE COLLECTION OF WHICH THE ORDINARY PROCESS OF LAW HAS  
19 BEEN INEFFECTUAL; TO AMEND SECTION 31-19-29, MISSISSIPPI CODE OF  
20 1972, TO AUTHORIZE THE COMMISSIONER OF REVENUE AND THE DEPARTMENT  
21 OF REVENUE TO PROVIDE CERTAIN INFORMATION REGARDING DOUBTFUL  
22 CLAIMS TO THE GOVERNOR OR HIS DESIGNATED REPRESENTATIVE; TO AMEND  
23 SECTIONS 27-3-73, 27-7-83, 27-13-57 AND 27-65-81, MISSISSIPPI CODE  
24 OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

26 **SECTION 1.** (1) The Commissioner of Revenue shall develop  
27 procedures for the receipt and consideration of offers to  
28 compromise and settle doubtful claims as defined in Section  
29 31-19-27. If the commissioner makes a determination that a



30 finally determined tax liability is a doubtful claim as defined in  
31 Section 31-19-27 and should be settled and compromised, that  
32 recommendation shall be made to the Governor as provided in  
33 Section 31-19-29.

34 (2) Upon approval by the Governor, the Commissioner of  
35 Revenue is authorized to enter into an agreement with a taxpayer  
36 under which a finally determined tax liability that is a doubtful  
37 claim is settled and compromised. The settlement agreement shall  
38 be binding and a taxpayer's liabilities for taxes, interest and  
39 penalties will be fully and finally compromised. If the  
40 Commissioner of Revenue later determines that the taxpayer  
41 misrepresented, whether intentionally or not, the financial  
42 condition of the taxpayer or any property belonging to the  
43 taxpayer or other person liable for the tax, all compromised  
44 liabilities may be reestablished without regard to any statute of  
45 limitations that otherwise may be applicable.

46 (3) The Commissioner of Revenue shall have all powers  
47 necessary to implement and administer this section, and shall  
48 promulgate rules and regulations, in accordance with the  
49 Mississippi Administrative Procedures Law, necessary for the  
50 implementation of this section.

51 **SECTION 2.** Section 31-19-27, Mississippi Code of 1972, is  
52 amended as follows:

53 31-19-27. (1) A doubtful claim of the state, or of the  
54 county, city, town, village, or levee board is one for which



55 judgment has been rendered and for the collection of which the  
56 ordinary process of law has been ineffectual; debts due by  
57 drainage districts or other taxing districts or sinking funds to  
58 counties under the Rehabilitation Act of 1928, being Chapter  
59 88 \* \* \*, Laws of 1928, and Chapter 16 of the Acts of the Special  
60 Session of 1931; those debts due counties by drainage districts,  
61 which the Reconstruction Finance Corporation has heretofore  
62 refused to refinance; debts due for sixteenth section township  
63 school fund loans made to churches, where the board of supervisors  
64 finds that the value of the security given therefor is  
65 insufficient or inadequate to pay or satisfy the principal and  
66 interest of said loan, and when the church repays the principal of  
67 said loan; and debts due by counties and townships to drainage  
68 districts for drainage district assessments or taxes levied and  
69 assessed upon sixteenth section lands.

70 (2) A doubtful claim also is one for which a notice of tax  
71 lien has been enrolled in the Uniform State Tax Lien registry for  
72 a finally determined tax liability and for the collection of which  
73 the ordinary process of law has been ineffectual.

74 **SECTION 3.** Section 31-19-29, Mississippi Code of 1972, is  
75 amended as follows:

76 31-19-29. (1) The Governor, on the advice of the Attorney  
77 General or \* \* \* Commissioner of Revenue of the \* \* \* Department  
78 of Revenue, may, upon application of the defendant or debtor  
79 proposing a compromise, settle and compromise any doubtful claim



80 of the state, or of any county, city, town, or village, or of any  
81 levee board against such defendant or debtor, upon such terms as  
82 he may deem proper, the board of supervisors in the case of a  
83 county, and the municipal authorities in the case of a city, town  
84 or village, and the levee board in the case of a claim of a levee  
85 board, concurring therein. The Governor, upon application of a  
86 drainage district having obligations outstanding to a county under  
87 the provisions of Chapter 88, Laws of 1928, and Chapter 16, Laws  
88 of the Extraordinary Session of 1931, or obligations which the  
89 Reconstruction Finance Corporation has heretofore refused to  
90 refinance, may settle and compromise any claim, debt or obligation  
91 that said drainage district may owe any county in the State of  
92 Mississippi for money loaned said district under the provisions of  
93 said Chapter 88, Laws of 1928, or any other claim, debt or  
94 obligation that said drainage district may owe the county which  
95 the Reconstruction Finance Corporation has heretofore refused to  
96 finance, if the board of supervisors of said county concurs in the  
97 application of the drainage district. The Governor, upon  
98 application by the board of supervisors for any taxing districts  
99 of said county or sinking funds of said county under the control  
100 and supervision of said board of supervisors having obligations  
101 outstanding and due to said county under the provisions of Chapter  
102 88, Laws of 1928, and Chapter 16, Laws of the Extraordinary  
103 Session of 1931, may settle and compromise any claim, debt, or  
104 obligation that said taxing districts or sinking funds may owe



105 said county for money loaned said taxing districts or sinking  
106 funds under the provisions of said Chapter 88, Laws of 1928; and  
107 provided that the Governor, on the advice of the Attorney General,  
108 and upon application of a church owing a sixteenth section  
109 township school fund loan, may settle and compromise such debt or  
110 obligation if the board of supervisors of the said county concurs  
111 in the application of the said church. The Governor may, on the  
112 advice of the Attorney General, in like manner compromise and  
113 settle a claim of a drainage district for unpaid assessments or  
114 taxes upon sixteenth section lands upon application of the board  
115 of supervisors wherein such sixteenth section is situated, if the  
116 commissioners of the drainage district concur therein.

117 (2) The Commissioner of Revenue and the Department of  
118 Revenue may discuss with and provide the Governor or his  
119 designated representative with information related to an offer to  
120 compromise and settle any doubtful claim under Section 1 of this  
121 act. Such discussions shall be subject to the confidentiality  
122 requirements of Sections 27-3-73, 27-7-83, 27-13-57 and/or  
123 27-65-81, as the case may be.

124 **SECTION 4.** Section 27-3-73, Mississippi Code of 1972, is  
125 amended as follows:

126 27-3-73. (1) Except in accordance with proper judicial  
127 order or as otherwise provided in this section or as authorized in  
128 Section 27-4-3, it shall be unlawful for the Commissioner of  
129 Revenue, or any deputy, agent, clerk or other officer or employee



130 of the Department of Revenue, to divulge or make known in any  
131 manner the amount of income or any particulars set forth or  
132 disclosed in any report or return required on any taxes collected  
133 by reports received by the Department of Revenue. This provision  
134 relates to all taxes collected by the Department of Revenue and  
135 not referred to in Sections 27-7-83, 27-13-57 and 27-65-81,  
136 requiring confidentiality of income tax, franchise tax and sales  
137 tax returns. All system edits, thresholds, and any other  
138 automated system calculations used by the Department of Revenue in  
139 the processing of returns or statistics or used to determine the  
140 correct tax due for all taxes administered by the department shall  
141 be considered confidential information and may not be divulged or  
142 made known. Nothing in this section shall be construed to  
143 prohibit the publication of statistics, so classified as to  
144 prevent the identification of particular reports or returns and  
145 the items thereof, or the inspection by the Attorney General, or  
146 any other attorney representing the state, of the report or return  
147 of any taxpayer who shall bring action to set aside the tax  
148 thereon, or against whom an action or proceeding has been  
149 instituted to recover any tax or penalty imposed. Additionally,  
150 nothing in this section shall prohibit the Commissioner of Revenue  
151 from making available information necessary to recover taxes owing  
152 the state pursuant to the authority granted in Section 27-75-16.

153 The term "proper judicial order" as used in this section  
154 shall not include subpoenas or subpoenas duces tecum but shall



155 include only those orders entered by a court of record in this  
156 state after furnishing notice and a hearing to the taxpayer and  
157 the Department of Revenue. The court shall not authorize the  
158 furnishing of such information unless it is satisfied that the  
159 information is needed to pursue pending litigation wherein the  
160 return itself is in issue, or the judge is satisfied that the need  
161 for furnishing the information outweighs the rights of the  
162 taxpayer to have such information secreted.

163 However, information relating to possible tax liability to  
164 other states or the federal government may be furnished to the  
165 revenue departments of those states or the federal government when  
166 the states or federal government grant a like comity to  
167 Mississippi.

168 (2) The State Auditor and the employees of his office shall  
169 have the right to examine only such tax returns as are necessary  
170 for auditing the Department of Revenue, and the same prohibitions  
171 against disclosure which apply to the Department of Revenue shall  
172 apply to the State Auditor and his office.

173 (3) Officers and employees of the Mississippi Development  
174 Authority who execute a confidentiality agreement with the  
175 Department of Revenue shall be authorized to discuss and examine  
176 information to which this section applies at the offices of the  
177 Mississippi Department of Revenue. This disclosure is limited to  
178 information necessary to properly administer the programs under  
179 the jurisdiction of the Mississippi Development Authority. The



180 Department of Revenue is authorized to disclose to officers and  
181 employees of the Mississippi Development Authority who execute a  
182 confidentiality agreement the information necessary under the  
183 circumstances. The same prohibitions against disclosure which  
184 apply to the Department of Revenue shall apply to the officers or  
185 employees of the Mississippi Development Authority.

186 (4) Information required by the University Research Center  
187 to prepare the analyses required by Sections 57-13-101 through  
188 57-13-109 shall be furnished to the University Research Center  
189 upon request. It shall be unlawful for any officer or employee of  
190 the University Research Center to divulge or make known in any  
191 manner the amount of income or any particulars set forth or  
192 disclosed in any information received by the center from the  
193 Department of Revenue other than as may be required by Sections  
194 57-13-101 through 57-13-109 in an analysis prepared pursuant to  
195 Sections 57-13-101 through 57-13-109.

196 (5) Information required by the Mississippi Development  
197 Authority to prepare the reports required by Section 57-1-12.2  
198 shall be furnished to the Mississippi Development Authority upon  
199 request. It shall be unlawful for any officer or employee of the  
200 Mississippi Development Authority to divulge or make known in any  
201 manner the amount of income or any particulars set forth or  
202 disclosed in any information received by the Mississippi  
203 Development Authority from the Department of Revenue other than as





204 may be required by Section 57-1-12.2 in a report prepared pursuant  
205 to Section 57-1-12.2.

206 (6) Information necessary to comply with Chapter 13, Title  
207 85, may be furnished to financial institutions. It shall be  
208 unlawful for any officer or employee of the financial institution  
209 to divulge or make known in any manner the amount of income or any  
210 particulars set forth or disclosed in any information received by  
211 the financial institution from the Department of Revenue other  
212 than as may be authorized by Chapter 13, Title 85.

213 (7) The Commissioner of Revenue and the Department of  
214 Revenue are authorized to discuss with and provide the Governor or  
215 his designated representative with information related to an offer  
216 to compromise and settle any doubtful claim regarding a finally  
217 determined tax liability as authorized by this act. It shall be  
218 unlawful for the Governor or any officer or employee of the  
219 Governor to divulge or make known in any manner the amount of  
220 income or any particulars set forth or disclosed in any  
221 information received by the Governor's office from the  
222 Commissioner of Revenue or Department of Revenue other than as may  
223 be required by this act.

224 ( \* \* \*8) Any person who violates the provisions of this  
225 section shall be guilty of a misdemeanor and, on conviction  
226 thereof, shall be fined not more than One Thousand Dollars  
227 (\$1,000.00) or imprisoned not more than six (6) months in the  
228 county jail, or both.



229 ( \* \* \*9) The Commissioner of Revenue and the Department of  
230 Revenue are authorized to disclose to the Child Support Unit and  
231 to the Fraud Investigation Unit of the Department of Human  
232 Services without the need for a subpoena or proper judicial order  
233 the name, address, social security number, amount of income,  
234 amount of sales tax, source of income, assets and other relevant  
235 information, records and tax forms for individuals who are  
236 delinquent in the payment of any child support as defined in  
237 Section 93-11-101 or who are under investigation for fraud or  
238 abuse of any state or federal program or statute as provided in  
239 Section 43-1-23.

240 **SECTION 5.** Section 27-7-83, Mississippi Code of 1972, is  
241 amended as follows:

242 27-7-83. (1) Returns and return information filed or  
243 furnished under the provisions of this chapter shall be  
244 confidential, and except in accordance with proper judicial order,  
245 as otherwise authorized by this section, as authorized in Section  
246 27-4-3 or as authorized under Section 27-7-821, it shall be  
247 unlawful for the Commissioner of Revenue or any deputy, agent,  
248 clerk or other officer or employee of the Department of Revenue or  
249 the Mississippi Department of Information Technology Services, or  
250 any former employee thereof, to divulge or make known in any  
251 manner the amount of income or any particulars set forth or  
252 disclosed in any report or return required. The provisions of  
253 this section shall apply fully to any federal return, a copy of



254 any portion of a federal return, or any information reflected on a  
255 federal return which is attached to or made a part of the state  
256 tax return. Likewise, the provisions of this section shall apply  
257 to any federal return or portion thereof, or to any federal return  
258 information data which is acquired from the Internal Revenue  
259 Service for state tax administration purposes pursuant to the  
260 Federal-State Exchange Program cited at Section 6103, Federal  
261 Internal Revenue Code. The term "proper judicial order" as used  
262 in this section shall not include subpoenas or subpoenas duces  
263 tecum, but shall include only those orders entered by a court of  
264 record in this state after furnishing notice and a hearing to the  
265 taxpayer and the Department of Revenue. The court shall not  
266 authorize the furnishing of such information unless it is  
267 satisfied that the information is needed to pursue pending  
268 litigation wherein the return itself is in issue, or the judge is  
269 satisfied that the need for furnishing the information outweighs  
270 the rights of the taxpayer to have such information secreted.

271 (2) Returns and return information with respect to taxes  
272 imposed by this chapter shall be open to inspection by or  
273 disclosure to the Commissioner of the Internal Revenue Service of  
274 the United States, or the proper officer of any state imposing an  
275 income tax similar to that imposed by this chapter, or the  
276 authorized representatives of such agencies. Such inspection  
277 shall be permitted, or such disclosure made, only upon written  
278 request by the head of such agencies, or the district director in



279 the case of the Internal Revenue Service, and only to the  
280 representatives of such agencies designated in a written statement  
281 to the Commissioner of Revenue as the individuals who are to  
282 inspect or to receive the return or return information on behalf  
283 of such agency. The Commissioner of Revenue is authorized to  
284 enter into agreements with the Internal Revenue Service and with  
285 other states for the exchange of returns and return information  
286 data, or the disclosure of returns or return information data to  
287 such agencies, only to the extent that the statutes of the United  
288 States or of such other state, as the case may be, grant  
289 substantially similar privileges to the proper officer of this  
290 state charged with the administration of the tax laws of this  
291 state.

292 (3) (a) The return of a person shall, upon written request,  
293 be open to inspection by or disclosure to:

294 (i) In the case of the return of an individual,  
295 that individual;

296 (ii) In the case of an income tax return filed  
297 jointly, either of the individuals with respect to whom the return  
298 is filed;

299 (iii) In the case of the return of a partnership,  
300 any person who was a member of such partnership during any part of  
301 the period covered by the return;

302 (iv) In the case of the return of a corporation or  
303 a subsidiary thereof, any person designated by resolution of its



304 board of directors or other similar governing body, or any officer  
305 or employee of such corporation upon written request signed by any  
306 principal officer and attested to by the secretary or other  
307 officer;

308 (v) In the case of the return of an estate, the  
309 administrator, executor or trustee of such estate, and any heir at  
310 law, next of kin or beneficiary under the will, of the decedent,  
311 but only to the extent that such latter persons have a material  
312 interest which will be affected by information contained therein;

313 (vi) In the case of the return of a trust, the  
314 trustee or trustees, jointly or separately, and any beneficiary of  
315 such trust, but only to the extent that such beneficiary has a  
316 material interest which will be affected by information contained  
317 therein;

318 (vii) In the case of the return of an individual  
319 or a return filed jointly, any claimant agency or claimant local  
320 government seeking to collect a debt through the setoff procedure  
321 established in Sections 27-7-701 through 27-7-713, Sections  
322 27-7-501 through 27-7-519 and/or Sections 27-7-801 through  
323 27-7-823, as the case may be, from an individual with respect to  
324 whom the return is filed.

325 (b) If an individual described in paragraph (a) is  
326 legally incompetent, the applicable return shall, upon written  
327 request, be open to inspection by or disclosure to the committee,  
328 trustee or guardian of his estate.



329 (c) If substantially all of the property of the person  
330 with respect to whom the return is filed is in the hands of a  
331 trustee in bankruptcy or receiver, such return or returns for  
332 prior years of such person shall, upon written request, be open to  
333 inspection by or disclosure to such trustee or receiver, but only  
334 if the Commissioner of Revenue finds that such receiver or  
335 trustee, in his fiduciary capacity, has a material interest which  
336 will be affected by information contained therein.

337 (d) Any return to which this section applies shall,  
338 upon written request, also be open to inspection by or disclosure  
339 to the attorney-in-fact duly authorized in writing by any of the  
340 persons described in paragraph (a) of this subsection to inspect  
341 the return or receive the information on his behalf, subject to  
342 the conditions provided in paragraph (a).

343 (e) Return information with respect to any taxpayer may  
344 be open to inspection by or disclosure to any person authorized by  
345 this subsection to inspect any return of such taxpayer if the  
346 Commissioner of Revenue determines that such disclosure would not  
347 seriously impair state tax administration.

348 (4) The State Auditor and the employees of his office shall  
349 have the right to examine only such tax returns as are necessary  
350 for auditing the Department of Revenue and auditing benefits  
351 administered under the United States Department of Health and  
352 Human Services and the United States Department of Agriculture.  
353 The State Auditor and the employees of his office may make



354 information related to auditing such benefits available to and may  
355 exchange the information with state agencies responsible for the  
356 administration of the benefits. Except as otherwise provided in  
357 this subsection (4), the same prohibitions against disclosure  
358 which apply to the Department of Revenue shall apply to the State  
359 Auditor and his employees or former employees.

360 (5) Officers and employees of the Mississippi Development  
361 Authority who execute a confidentiality agreement with the  
362 Department of Revenue shall be authorized to discuss and examine  
363 information to which this section applies at the offices of the  
364 Mississippi Department of Revenue. This disclosure is limited to  
365 information necessary to properly administer the programs under  
366 the jurisdiction of the Mississippi Development Authority. The  
367 Department of Revenue is authorized to disclose to officers and  
368 employees of the Mississippi Development Authority who execute a  
369 confidentiality agreement the information necessary under the  
370 circumstances. The same prohibitions against disclosure which  
371 apply to the Department of Revenue shall apply to the officers or  
372 employees of the Mississippi Development Authority.

373 (6) Information required by the University Research Center  
374 to prepare the analyses required by Sections 57-13-101 through  
375 57-13-109 shall be furnished to the University Research Center  
376 upon request. It shall be unlawful for any officer or employee of  
377 the University Research Center to divulge or make known in any  
378 manner the amount of income or any particulars set forth or



379 disclosed in any information received by the center from the  
380 Department of Revenue other than as may be required by Sections  
381 57-13-101 through 57-13-109 in an analysis prepared pursuant to  
382 Sections 57-13-101 through 57-13-109.

383 (7) Information required by the Mississippi Development  
384 Authority to prepare the reports required by Section 57-1-12.2  
385 shall be furnished to the Mississippi Development Authority upon  
386 request. It shall be unlawful for any officer or employee of the  
387 Mississippi Development Authority to divulge or make known in any  
388 manner the amount of income or any particulars set forth or  
389 disclosed in any information received by the Mississippi  
390 Development Authority from the Department of Revenue other than as  
391 may be required by Section 57-1-12.2 in a report prepared pursuant  
392 to Section 57-1-12.2.

393 (8) Information necessary to comply with Chapter 13, Title  
394 85, may be furnished to financial institutions. It shall be  
395 unlawful for any officer or employee of the financial institution  
396 to divulge or make known in any manner the amount of income or any  
397 particulars set forth or disclosed in any information received by  
398 the financial institution from the Department of Revenue other  
399 than as may be authorized by Chapter 13, Title 85.

400 (9) The Commissioner of Revenue and the Department of  
401 Revenue are authorized to discuss with and provide the Governor or  
402 his designated representative with information related to an offer  
403 to compromise and settle any doubtful claim regarding a finally





404 determined tax liability as authorized by this act. It shall be  
405 unlawful for the Governor or any officer or employee of the  
406 Governor to divulge or make known in any manner the amount of  
407 income or any particulars set forth or disclosed in any  
408 information received by the Governor's office from the  
409 Commissioner of Revenue or Department of Revenue other than as may  
410 be required by this act.

411 ( \* \* \* 10) Nothing in this section shall be construed to  
412 prohibit the publication of statistics, so classified as to  
413 prevent the identification of particular reports or returns and  
414 the items thereof, or the inspection by the Attorney General, or  
415 any other attorney representing the state, of the report or return  
416 of any taxpayer who shall bring action to set aside the tax  
417 thereon, or against whom any action or proceeding has been  
418 instituted to recover any tax or penalty imposed.

419 ( \* \* \* 11) Nothing in this section shall prohibit the  
420 commissioner from making available information necessary to  
421 recover taxes owing the state pursuant to the authority granted in  
422 Section 27-75-16.

423 ( \* \* \* 12) Reports and returns required under the provisions  
424 of this chapter shall be preserved in accordance with approved  
425 records control schedules. No records, however, may be destroyed  
426 without the approval of the Director of the Department of Archives  
427 and History.



428 ( \* \* \* 13) The Department of Revenue is authorized to  
429 disclose to the Child Support Unit and to the Fraud Investigation  
430 Unit of the Department of Human Services without the need for a  
431 subpoena or proper judicial order the name, address, social  
432 security number, amount of income, source of income, assets and  
433 other relevant information, records and tax forms for individuals  
434 who are delinquent in the payment of any child support as defined  
435 in Section 93-11-101 or who are under investigation for fraud or  
436 abuse of any state or federal program or statute as provided in  
437 Section 43-1-23.

438 ( \* \* \* 14) Nothing in this section shall prohibit the  
439 Department of Revenue from exchanging information with the federal  
440 government that is necessary to offset income tax refund payment  
441 on debts owed to this state or the United States.

442 ( \* \* \* 15) Nothing in this section shall prohibit the  
443 department from making available information that is necessary to  
444 be disclosed for the administration and enforcement of Section  
445 27-7-87.

446 **SECTION 6.** Section 27-13-57, Mississippi Code of 1972, is  
447 amended as follows:

448 27-13-57. (1) Except in accordance with the proper judicial  
449 order, or as otherwise provided in this section or as authorized  
450 in Section 27-4-3, it shall be unlawful for the Commissioner of  
451 Revenue or any deputy, agent, clerk or other officer or employee  
452 of the Department of Revenue to divulge or make known in any



453 manner any particulars set forth or disclosed in any report or  
454 return required under this chapter. When a combined report or  
455 return is filed as authorized by Section 27-13-17(5), each report  
456 or return which composes the combined return shall be considered  
457 separate for the purpose of any examinations authorized in this  
458 section and only particulars relating to the specific return or  
459 report set forth in the judicial order or as otherwise provided  
460 shall be considered lawfully divulged. The term "proper judicial  
461 order" as used in this section shall not include subpoenas or  
462 subpoenas duces tecum, but shall include only those orders entered  
463 by a court of record in this state after furnishing notice and a  
464 hearing to the taxpayer and the Department of Revenue. The court  
465 shall not authorize the furnishing of such information unless it  
466 is satisfied that the information is needed to pursue pending  
467 litigation wherein the return itself is in issue, or the judge is  
468 satisfied that the need for furnishing the information outweighs  
469 the rights of the taxpayer to have such information secreted.  
470 Nothing in this section shall be construed to prohibit the  
471 publication of statistics, so classified as to prevent the  
472 identification of particular reports or returns and the items  
473 thereof, or the inspection by the Attorney General or any other  
474 attorney representing the state of the report or return of any  
475 taxpayer who shall bring action to set aside or review the tax  
476 based thereon, or against whom an action or proceeding has been  
477 instituted to recover any tax or penalty imposed by this chapter.



478 Reports and returns shall be preserved in accordance with approved  
479 records control schedules. No records, however, may be destroyed  
480 without the approval of the Director of the Department of Archives  
481 and History.

482         However, information relating to possible tax liability of  
483 other states or the federal government may be furnished to the  
484 revenue department of those states or the federal government when  
485 those states or the federal government grant a like comity to  
486 Mississippi.

487         (2) The State Auditor and the employees of his office shall  
488 have the right to examine only such tax returns as are necessary  
489 for auditing the Department of Revenue, and the same prohibitions  
490 against disclosure which apply to the Department of Revenue shall  
491 apply to the State Auditor and his office.

492         (3) Officers and employees of the Mississippi Development  
493 Authority who execute a confidentiality agreement with the  
494 Department of Revenue shall be authorized to discuss and examine  
495 information to which this section applies at the offices of the  
496 Mississippi Department of Revenue. This disclosure is limited to  
497 information necessary to properly administer the programs under  
498 the jurisdiction of the Mississippi Development Authority. The  
499 Department of Revenue is authorized to disclose to officers and  
500 employees of the Mississippi Development Authority who execute a  
501 confidentiality agreement the information necessary under the  
502 circumstances. The same prohibitions against disclosure which



503 apply to the Department of Revenue shall apply to the officers or  
504 employees of the Mississippi Development Authority.

505 (4) Information required by the University Research Center  
506 to prepare the analyses required by Sections 57-13-101 through  
507 57-13-109 shall be furnished to the University Research Center  
508 upon request. It shall be unlawful for any officer or employee of  
509 the University Research Center to divulge or make known in any  
510 manner any particulars set forth or disclosed in any information  
511 received by the center from the Department of Revenue other than  
512 as may be required by Sections 57-13-101 through 57-13-109 in an  
513 analysis prepared pursuant to Sections 57-13-101 through  
514 57-13-109.

515 (5) Information required by the Mississippi Development  
516 Authority to prepare the reports required by Section 57-1-12.2  
517 shall be furnished to the Mississippi Development Authority upon  
518 request. It shall be unlawful for any officer or employee of the  
519 Mississippi Development Authority to divulge or make known in any  
520 manner the amount of income or any particulars set forth or  
521 disclosed in any information received by the Mississippi  
522 Development Authority from the Department of Revenue other than as  
523 may be required by Section 57-1-12.2 in a report prepared pursuant  
524 to Section 57-1-12.2.

525 (6) Information necessary to comply with Chapter 13, Title  
526 85 may be furnished to financial institutions. It shall be  
527 unlawful for any officer or employee of the financial institution



528 to divulge or make known in any manner the amount of income or any  
529 particulars set forth or disclosed in any information received by  
530 the financial institution from the Department of Revenue other  
531 than as may be authorized by Chapter 13, Title 85.

532 (7) The Commissioner of Revenue and the Department of  
533 Revenue are authorized to discuss with and provide the Governor or  
534 his designated representative with information related to an offer  
535 to compromise and settle any doubtful claim regarding a finally  
536 determined tax liability as authorized by this act. It shall be  
537 unlawful for the Governor or any officer or employee of the  
538 Governor to divulge or make known in any manner the amount of  
539 income or any particulars set forth or disclosed in any  
540 information received by the Governor's office from the  
541 Commissioner of Revenue or Department of Revenue other than as may  
542 be required by this act.

543 ( \* \* \*8) Nothing in this section shall prohibit the  
544 Commissioner of Revenue from making available information  
545 necessary to recover taxes owing the state pursuant to the  
546 authority granted in Section 27-75-16, Mississippi Code of 1972.

547 ( \* \* \*9) Any person violating the provisions of this  
548 section shall be guilty of a misdemeanor and, on conviction, shall  
549 be punished by a fine of not exceeding Five Hundred Dollars  
550 (\$500.00), or by imprisonment not exceeding one (1) year, or both,  
551 at the discretion of the court, and if the offender be an officer  
552 or employee of the state he shall be dismissed from office and be



553 incapable of holding any public office in this state for a period  
554 of five (5) years thereafter.

555         **SECTION 7.** Section 27-65-81, Mississippi Code of 1972, is  
556 amended as follows:

557         27-65-81. (1) Applications, returns and information  
558 contained therein filed or furnished under this chapter shall be  
559 confidential, and except in accordance with proper judicial order,  
560 or as otherwise authorized by this section or as authorized by  
561 Section 27-4-3, it shall be unlawful for the Commissioner of  
562 Revenue or any deputy, agent, clerk or other officer or employee  
563 of the Department of Revenue or Department of Information  
564 Technology Services, or any former employee thereof, to divulge or  
565 make known in any manner the amount of income or any particulars  
566 set forth or disclosed on any application, report or return  
567 required.

568         The term "proper judicial order" as used in this section  
569 shall not include subpoenas or subpoenas duces tecum but shall  
570 include only those orders entered by a court of record in this  
571 state after furnishing notice and a hearing to the taxpayer and  
572 the Department of Revenue. The court shall not authorize the  
573 furnishing of such information unless it is satisfied that the  
574 information is needed to pursue pending litigation wherein the  
575 return itself is in issue, or the judge is satisfied that the need  
576 for furnishing the information outweighs the rights of the  
577 taxpayer to have such information secreted.



578           (2) Such information contained on the application, returns  
579 or reports may be furnished to:

580                 (a) Members and employees of the Department of Revenue  
581 and the income tax department thereof, for the purpose of  
582 checking, comparing and correcting returns;

583                 (b) The Attorney General, or any other attorney  
584 representing the state in any action in respect to the amount of  
585 tax under the provisions of this chapter;

586                 (c) The revenue department of other states or the  
587 federal government when said states or federal government grants a  
588 like comity to Mississippi.

589           (3) The State Auditor and the employees of his office shall  
590 have the right to examine only such tax returns as are necessary  
591 for auditing the Department of Revenue, and the same prohibitions  
592 against disclosure which apply to the Department of Revenue shall  
593 apply to the State Auditor and his office.

594           (4) Officers and employees of the Mississippi Development  
595 Authority who execute a confidentiality agreement with the  
596 Department of Revenue shall be authorized to discuss and examine  
597 information to which this section applies at the offices of the  
598 Mississippi Department of Revenue. This disclosure is limited to  
599 information necessary to properly administer the programs under  
600 the jurisdiction of the Mississippi Development Authority. The  
601 Department of Revenue is authorized to disclose to officers and  
602 employees of the Mississippi Development Authority who execute a





603 confidentiality agreement the information necessary under the  
604 circumstances. The same prohibitions against disclosure which  
605 apply to the Department of Revenue shall apply to the officers or  
606 employees of the Mississippi Development Authority.

607 (5) Information required by the University Research Center  
608 to prepare the analyses required by Sections 57-13-101 through  
609 57-13-109 shall be furnished to the University Research Center  
610 upon request. It shall be unlawful for any officer or employee of  
611 the University Research Center to divulge or make known in any  
612 manner the amount of income or any particulars set forth or  
613 disclosed in any information received by the center from the  
614 Department of Revenue other than as may be required by Sections  
615 57-13-101 through 57-13-109 in an analysis prepared pursuant to  
616 Sections 57-13-101 through 57-13-109.

617 (6) Information required by the Mississippi Development  
618 Authority to prepare the reports required by Section 57-1-12.2  
619 shall be furnished to the Mississippi Development Authority upon  
620 request. It shall be unlawful for any officer or employee of the  
621 Mississippi Development Authority to divulge or make known in any  
622 manner the amount of income or any particulars set forth or  
623 disclosed in any information received by the Mississippi  
624 Development Authority from the Department of Revenue other than as  
625 may be required by Section 57-1-12.2 in a report prepared pursuant  
626 to Section 57-1-12.2.



627 (7) Information necessary to comply with Chapter 13, Title  
628 85, may be furnished to financial institutions. It shall be  
629 unlawful for any officer or employee of the financial institution  
630 to divulge or make known in any manner the amount of income or any  
631 particulars set forth or disclosed in any information received by  
632 the financial institution from the Department of Revenue other  
633 than as may be authorized by Chapter 13, Title 85.

634 (8) The Commissioner of Revenue and the Department of  
635 Revenue are authorized to discuss with and provide the Governor or  
636 his designated representative with information related to an offer  
637 to compromise and settle any doubtful claim regarding a finally  
638 determined tax liability as authorized by this act. It shall be  
639 unlawful for the Governor or any officer or employee of the  
640 Governor to divulge or make known in any manner the amount of  
641 income or any particulars set forth or disclosed in any  
642 information received by the Governor's office from the  
643 Commissioner of Revenue or Department of Revenue other than as may  
644 be required by this act.

645 ( \* \* \*9) Nothing in this section shall prohibit the  
646 Commissioner of Revenue from making available information  
647 necessary to recover taxes owing the state pursuant to the  
648 authority granted in Section 27-75-16.

649 ( \* \* \*10) The Department of Revenue is authorized to  
650 disclose to the Child Support Unit and to the Fraud Investigation  
651 Unit of the Department of Human Services without the need for a



652 subpoena or proper judicial order the name, address, social  
653 security number, amount of income, amount of sales tax, source of  
654 income, assets and other relevant information, records and tax  
655 forms for individuals who are delinquent in the payment of any  
656 child support as defined in Section 93-11-101 or who are under  
657 investigation for fraud or abuse of any state or federal program  
658 or statute as provided in Section 43-1-23.

659         **SECTION 8.** This act shall take effect and be in force from  
660 and after July 1, 2021.

