HOUSE BILL NO. 1095

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

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

SECTION 1. (1) The Commissioner of Revenue shall develop procedures for the receipt and consideration of offers to compromise and settle doubtful claims as defined in Section 31-19-27. If the commissioner makes a determination that a
finally determined tax liability is a doubtful claim as defined in Section 31-19-27 and should be settled and compromised, that recommendation shall be made to the Governor as provided in Section 31-19-29.

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

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

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

31-19-27. (1) A doubtful claim of the state, or of the county, city, town, village, or levee board is one for which
judgment has been rendered and for the collection of which the
ordinary process of law has been ineffectual; debts due by
drainage districts or other taxing districts or sinking funds to
counties under the Rehabilitation Act of 1928, being Chapter
88 * * * Laws of 1928, and Chapter 16 of the Acts of the Special
Session of 1931; those debts due counties by drainage districts,
which the Reconstruction Finance Corporation has heretofore
refused to refinance; debts due for sixteenth section township
school fund loans made to churches, where the board of supervisors
finds that the value of the security given therefor is
insufficient or inadequate to pay or satisfy the principal and
interest of said loan, and when the church repays the principal of
said loan; and debts due by counties and townships to drainage
districts for drainage district assessments or taxes levied and
assessed upon sixteenth section lands.

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

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

31-19-29. (1) The Governor, on the advice of the Attorney
General or * * * Commissioner of Revenue of the * * * Department
of Revenue, may, upon application of the defendant or debtor
proposing a compromise, settle and compromise any doubtful claim
of the state, or of any county, city, town, or village, or of any levee board against such defendant or debtor, upon such terms as he may deem proper, the board of supervisors in the case of a county, and the municipal authorities in the case of a city, town or village, and the levee board in the case of a claim of a levee board, concurring therein. The Governor, upon application of a drainage district having obligations outstanding to a county under the provisions of Chapter 88, Laws of 1928, and Chapter 16, Laws of the Extraordinary Session of 1931, or obligations which the Reconstruction Finance Corporation has heretofore refused to refinance, may settle and compromise any claim, debt or obligation that said drainage district may owe any county in the State of Mississippi for money loaned said district under the provisions of said Chapter 88, Laws of 1928, or any other claim, debt or obligation that said drainage district may owe the county which the Reconstruction Finance Corporation has heretofore refused to finance, if the board of supervisors of said county concurs in the application of the drainage district. The Governor, upon application by the board of supervisors for any taxing districts of said county or sinking funds of said county under the control and supervision of said board of supervisors having obligations outstanding and due to said county under the provisions of Chapter 88, Laws of 1928, and Chapter 16, Laws of the Extraordinary Session of 1931, may settle and compromise any claim, debt, or obligation that said taxing districts or sinking funds may owe
said county for money loaned said taxing districts or sinking funds under the provisions of said Chapter 88, Laws of 1928; and provided that the Governor, on the advice of the Attorney General, and upon application of a church owing a sixteenth section township school fund loan, may settle and compromise such debt or obligation if the board of supervisors of the said county concurs in the application of the said church. The Governor may, on the advice of the Attorney General, in like manner compromise and settle a claim of a drainage district for unpaid assessments or taxes upon sixteenth section lands upon application of the board of supervisors wherein such sixteenth section is situated, if the commissioners of the drainage district concur therein.

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

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

27-3-73. (1) Except in accordance with proper judicial order or as otherwise provided in this section or as authorized in Section 27-4-3, it shall be unlawful for the Commissioner of Revenue, or any deputy, agent, clerk or other officer or employee...
of the Department of Revenue, to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required on any taxes collected by reports received by the Department of Revenue. This provision relates to all taxes collected by the Department of Revenue and not referred to in Sections 27-7-83, 27-13-57 and 27-65-81, requiring confidentiality of income tax, franchise tax and sales tax returns. All system edits, thresholds, and any other automated system calculations used by the Department of Revenue in the processing of returns or statistics or used to determine the correct tax due for all taxes administered by the department shall be considered confidential information and may not be divulged or made known. Nothing in this section shall be construed to prohibit the publication of statistics, so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the Attorney General, or any other attorney representing the state, of the report or return of any taxpayer who shall bring action to set aside the tax thereon, or against whom an action or proceeding has been instituted to recover any tax or penalty imposed. Additionally, nothing in this section shall prohibit the Commissioner of Revenue from making available information necessary to recover taxes owing the state pursuant to the authority granted in Section 27-75-16.

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

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

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

(3) Officers and employees of the Mississippi Development Authority who execute a confidentiality agreement with the Department of Revenue shall be authorized to discuss and examine information to which this section applies at the offices of the Mississippi Department of Revenue. This disclosure is limited to information necessary to properly administer the programs under the jurisdiction of the Mississippi Development Authority. The
Department of Revenue is authorized to disclose to officers and employees of the Mississippi Development Authority who execute a confidentiality agreement the information necessary under the circumstances. The same prohibitions against disclosure which apply to the Department of Revenue shall apply to the officers or employees of the Mississippi Development Authority.

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

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

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

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

(8) Any person who violates the provisions of this section shall be guilty of a misdemeanor and, on conviction thereof, shall be fined not more than One Thousand Dollars ($1,000.00) or imprisoned not more than six (6) months in the county jail, or both.
( ** **9) The Commissioner of Revenue and the Department of Revenue are authorized to disclose to the Child Support Unit and to the Fraud Investigation Unit of the Department of Human Services without the need for a subpoena or proper judicial order the name, address, social security number, amount of income, amount of sales tax, source of income, assets and other relevant information, records and tax forms for individuals who are delinquent in the payment of any child support as defined in Section 93-11-101 or who are under investigation for fraud or abuse of any state or federal program or statute as provided in Section 43-1-23.

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

27-7-83. (1) Returns and return information filed or furnished under the provisions of this chapter shall be confidential, and except in accordance with proper judicial order, as otherwise authorized by this section, as authorized in Section 27-4-3 or as authorized under Section 27-7-821, it shall be unlawful for the Commissioner of Revenue or any deputy, agent, clerk or other officer or employee of the Department of Revenue or the Mississippi Department of Information Technology Services, or any former employee thereof, to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required. The provisions of this section shall apply fully to any federal return, a copy of
any portion of a federal return, or any information reflected on a federal return which is attached to or made a part of the state tax return. Likewise, the provisions of this section shall apply to any federal return or portion thereof, or to any federal return information data which is acquired from the Internal Revenue Service for state tax administration purposes pursuant to the Federal-State Exchange Program cited at Section 6103, Federal Internal Revenue Code. The term "proper judicial order" as used in this section shall not include subpoenas or subpoenas duces tecum, but shall include only those orders entered by a court of record in this state after furnishing notice and a hearing to the taxpayer and the Department of Revenue. The court shall not authorize the furnishing of such information unless it is satisfied that the information is needed to pursue pending litigation wherein the return itself is in issue, or the judge is satisfied that the need for furnishing the information outweighs the rights of the taxpayer to have such information secreted.

(2) Returns and return information with respect to taxes imposed by this chapter shall be open to inspection by or disclosure to the Commissioner of the Internal Revenue Service of the United States, or the proper officer of any state imposing an income tax similar to that imposed by this chapter, or the authorized representatives of such agencies. Such inspection shall be permitted, or such disclosure made, only upon written request by the head of such agencies, or the district director in
the case of the Internal Revenue Service, and only to the
representatives of such agencies designated in a written statement
to the Commissioner of Revenue as the individuals who are to
inspect or to receive the return or return information on behalf
of such agency. The Commissioner of Revenue is authorized to
enter into agreements with the Internal Revenue Service and with
other states for the exchange of returns and return information
data, or the disclosure of returns or return information data to
such agencies, only to the extent that the statutes of the United
States or of such other state, as the case may be, grant
substantially similar privileges to the proper officer of this
state charged with the administration of the tax laws of this
state.

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

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

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

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

(iv) In the case of the return of a corporation or
a subsidiary thereof, any person designated by resolution of its
board of directors or other similar governing body, or any officer or employee of such corporation upon written request signed by any principal officer and attested to by the secretary or other officer;

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

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

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

(b) If an individual described in paragraph (a) is legally incompetent, the applicable return shall, upon written request, be open to inspection by or disclosure to the committee, trustee or guardian of his estate.
(c) If substantially all of the property of the person with respect to whom the return is filed is in the hands of a trustee in bankruptcy or receiver, such return or returns for prior years of such person shall, upon written request, be open to inspection by or disclosure to such trustee or receiver, but only if the Commissioner of Revenue finds that such receiver or trustee, in his fiduciary capacity, has a material interest which will be affected by information contained therein.

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

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

(4) The State Auditor and the employees of his office shall have the right to examine only such tax returns as are necessary for auditing the Department of Revenue and auditing benefits administered under the United States Department of Health and Human Services and the United States Department of Agriculture. The State Auditor and the employees of his office may make
information related to auditing such benefits available to and may exchange the information with state agencies responsible for the administration of the benefits. Except as otherwise provided in this subsection (4), the same prohibitions against disclosure which apply to the Department of Revenue shall apply to the State Auditor and his employees or former employees.

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

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

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

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

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

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

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

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

(* * *12) Reports and returns required under the provisions
of this chapter shall be preserved in accordance with approved
records control schedules. No records, however, may be destroyed
without the approval of the Director of the Department of Archives
and History.
(***13) The Department of Revenue is authorized to disclose to the Child Support Unit and to the Fraud Investigation Unit of the Department of Human Services without the need for a subpoena or proper judicial order the name, address, social security number, amount of income, source of income, assets and other relevant information, records and tax forms for individuals who are delinquent in the payment of any child support as defined in Section 93-11-101 or who are under investigation for fraud or abuse of any state or federal program or statute as provided in Section 43-1-23.

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

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

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

27-13-57. (1) Except in accordance with the proper judicial order, or as otherwise provided in this section or as authorized in Section 27-4-3, it shall be unlawful for the Commissioner of Revenue or any deputy, agent, clerk or other officer or employee of the Department of Revenue to divulge or make known in any
manner any particulars set forth or disclosed in any report or return required under this chapter. When a combined report or return is filed as authorized by Section 27-13-17(5), each report or return which composes the combined return shall be considered separate for the purpose of any examinations authorized in this section and only particulars relating to the specific return or report set forth in the judicial order or as otherwise provided shall be considered lawfully divulged. The term "proper judicial order" as used in this section shall not include subpoenas or subpoenas duces tecum, but shall include only those orders entered by a court of record in this state after furnishing notice and a hearing to the taxpayer and the Department of Revenue. The court shall not authorize the furnishing of such information unless it is satisfied that the information is needed to pursue pending litigation wherein the return itself is in issue, or the judge is satisfied that the need for furnishing the information outweighs the rights of the taxpayer to have such information secreted. Nothing in this section shall be construed to prohibit the publication of statistics, so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the Attorney General or any other attorney representing the state of the report or return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted to recover any tax or penalty imposed by this chapter.
Reports and returns shall be preserved in accordance with approved records control schedules. No records, however, may be destroyed without the approval of the Director of the Department of Archives and History.

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

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

(3) Officers and employees of the Mississippi Development Authority who execute a confidentiality agreement with the Department of Revenue shall be authorized to discuss and examine information to which this section applies at the offices of the Mississippi Department of Revenue. This disclosure is limited to information necessary to properly administer the programs under the jurisdiction of the Mississippi Development Authority. The Department of Revenue is authorized to disclose to officers and employees of the Mississippi Development Authority who execute a confidentiality agreement the information necessary under the circumstances. The same prohibitions against disclosure which
apply to the Department of Revenue shall apply to the officers or
employees of the Mississippi Development Authority.

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

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

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

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

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

(* * *) Any person violating the provisions of this section shall be guilty of a misdemeanor and, on conviction, shall be punished by a fine of not exceeding Five Hundred Dollars ($500.00), or by imprisonment not exceeding one (1) year, or both, at the discretion of the court, and if the offender be an officer or employee of the state he shall be dismissed from office and be
incapable of holding any public office in this state for a period of five (5) years thereafter.

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

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

The term "proper judicial order" as used in this section shall not include subpoenas or subpoenas duces tecum but shall include only those orders entered by a court of record in this state after furnishing notice and a hearing to the taxpayer and the Department of Revenue. The court shall not authorize the furnishing of such information unless it is satisfied that the information is needed to pursue pending litigation wherein the return itself is in issue, or the judge is satisfied that the need for furnishing the information outweighs the rights of the taxpayer to have such information secreted.
(2) Such information contained on the application, returns or reports may be furnished to:

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

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

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

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

(4) Officers and employees of the Mississippi Development Authority who execute a confidentiality agreement with the Department of Revenue shall be authorized to discuss and examine information to which this section applies at the offices of the Mississippi Department of Revenue. This disclosure is limited to information necessary to properly administer the programs under the jurisdiction of the Mississippi Development Authority. The Department of Revenue is authorized to disclose to officers and employees of the Mississippi Development Authority who execute a
confidentiality agreement the information necessary under the circumstances. The same prohibitions against disclosure which apply to the Department of Revenue shall apply to the officers or employees of the Mississippi Development Authority.

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

(6) Information required by the Mississippi Development Authority to prepare the reports required by Section 57-1-12.2 shall be furnished to the Mississippi Development Authority upon request. It shall be unlawful for any officer or employee of the Mississippi Development Authority to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any information received by the Mississippi Development Authority from the Department of Revenue other than as may be required by Section 57-1-12.2 in a report prepared pursuant to Section 57-1-12.2.
(7) Information necessary to comply with Chapter 13, Title 85, may be furnished to financial institutions. It shall be unlawful for any officer or employee of the financial institution to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any information received by the financial institution from the Department of Revenue other than as may be authorized by Chapter 13, Title 85.

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

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

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

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