

By: Representative Carlton (By Request)

To: Ways and Means

HOUSE BILL NO. 1083

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 as provided in this subsection. Except as otherwise  
13 provided in this subsection, the amount of the award payment made  
14 to any person who provides information to the commission which  
15 results in the collection of unpaid or future Mississippi taxes of  
16 any kind shall not exceed twenty-five percent (25%) of any tax,  
17 penalties or interest collected as a result of the information.  
18 Any employee or former employee of the commission or of any other  
19 state or federal agency who comes into possession of information  
20 relating to a violation of a revenue law while an employee of the  
21 agency may provide information to the department, but the employee  
22 may not be compensated for the information.

23 (2) The State Tax Commission shall promulgate any necessary  
24 rules and regulations to establish administrative procedures,  
25 hearings and any other purposes necessary to carry out the  
26 provisions of this act.

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

29           27-3-79. (1) The State Tax Commission shall develop and  
30 implement a tax amnesty program in accordance with the provisions  
31 of this section. The program shall begin on September 1, 2004,  
32 and end on December 31, 2004. The program shall apply to all  
33 taxes that are required to be collected by the State Tax  
34 Commission or commissioner and that were first due and payable for  
35 the year 1999 and after. Tax amnesty shall be available to any  
36 individuals or corporations who are liable for those taxes and who  
37 have failed to pay all or any portion of their taxes, failed to  
38 file returns or filed inaccurate returns; however, tax amnesty  
39 shall not be available to individuals or corporations subject to  
40 tax-related criminal investigations or prosecution, or where the  
41 taxes have been previously assessed by the commission, or to  
42 estimated tax payments required to be made under Section 27-7-319.  
43 All civil and criminal penalties for nonpayment of taxes,  
44 including the penalties set forth in subsection (2) of this  
45 section, shall be waived for any eligible individual or  
46 corporation who, during the tax amnesty period, makes total  
47 payment of the taxes due. The State Tax Commission is authorized  
48 to do all things necessary to carry out the tax amnesty programs  
49 that are not inconsistent with this section.

50           (2) Any person eligible for the tax amnesty program and who  
51 fails to make total payment of the taxes due during the tax  
52 amnesty period, or any person who willfully attempts in any manner  
53 to evade or defeat any tax imposed by the State Tax Commission, or  
54 assists in the evading of that tax or the payment thereof,  
55 including violations determined under Section 27-3-80, shall, in  
56 addition to other penalties provided by law, be guilty of a felony  
57 and, upon conviction thereof, shall be fined not more than One  
58 Hundred Thousand Dollars (\$100,000.00) and, in the case of a  
59 corporation, not more than Five Hundred Thousand Dollars  
60 (\$500,000.00), or imprisoned not more than five (5) years, or  
61 both.

62           (3) Any prosecutions for tax evasion as described in this  
63 section shall be begun within six (6) years next after the  
64 statutory due date for the taxes in issue.

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

67           **SECTION 3.** This act shall take effect and be in force from  
68 and after July 1, 2005.