

House Bill 181

By: Representatives Lott of the 122nd, Hatchett of the 150th, Dempsey of the 13th, Meadows of the 5th, and Battles of the 15th

A BILL TO BE ENTITLED
AN ACT

1 To repeal and reenact subsection (d) of Code Section 48-2-15 of the Official Code of Georgia
2 Annotated, relating to confidential information secured in the administration of taxes, so as
3 to change certain provisions regarding the furnishing of certain tax information in all
4 municipalities in this state having a population of 350,000 or more and make such provisions
5 applicable state wide; to provide for additional procedures, conditions, and limitations; to
6 provide for a criminal penalty; to provide for related matters; to repeal conflicting laws; and
7 for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 48-2-15 of the Official Code of Georgia Annotated, relating to confidential
11 information secured in the administration of taxes, is revised by repealing subsection (d) and
12 enacting a new subsection (d) to read as follows:

13 "(d)(1) Notwithstanding this Code section, the commissioner, upon request by resolution
14 of the governing authority of any county or municipality of this state, shall furnish to the
15 designated finance officer or taxing official of the county or municipality any pertinent
16 sales and use tax information from sales and use tax returns or refunds, any sales and use
17 tax exemption information, or any combination thereof, to be used by such designated
18 officer or official in the discharge of his or her official duties.

19 (2) Such designated officer or official shall also be authorized to utilize such information
20 in researching sales and use errors; underreporting of sales and use taxes; misuse of sales
21 and use tax exemptions; sales and use tax avoidance; any type of fluctuation in the
22 distribution amounts of proceeds of any local sales and use tax; or any combination
23 thereof. During the performance of such research, such designated officer or official
24 shall not be authorized to contact in any manner any taxpayer identified in such
25 confidential information. In the event any such designated officer or official to whom
26 such confidential information is provided under this subsection identifies any

discrepancies, anomalies, or issues in connection with such information, such designated officer or official shall notify the commissioner. Any information furnished under this subsection to such designated officer or official shall retain its privileged and confidential nature to the same extent and under the same conditions as such information is privileged and confidential in the hands of the commissioner.

(3) Any such information furnished under this subsection shall constitute confidential tax information for purposes of paragraph (2) of Code Section 50-14-2 and paragraph (43) of subsection (a) of Code Section 50-18-72 and shall not be discussed or disclosed except as specifically authorized under this subsection.

(4) Such information may be discussed with or disclosed to the members of the governing authority of such county or municipality, but only when the members of such governing authority are in executive session as defined in paragraph (2) of subsection (a) of Code Section 50-14-1. In the event of such discussion with or disclosure to the members of such governing authority, any such information so discussed or disclosed shall retain its privileged and confidential nature to the same extent and under the same conditions as such information is privileged and confidential in the hands of the commissioner and any further disclosure by the members of such governing authority is prohibited. Prior to such discussion with or disclosure to the members of such governing authority, any member of the governing authority who has a conflict of interest shall be required to recuse himself or herself from the executive session. For purposes of such recusal, a conflict of interest shall include, but not be limited to, engaging in similar business to those which are identified in the confidential information or having a financial or other personal interest, direct or indirect, in such matter which is incompatible with the impartial and proper discharge of that person's official duties, which would tend to impair the independence of that person's judgment or actions, or which would make such person privy to information that would provide a competitive business advantage.

(5) It shall be unlawful for any person to divulge confidential tax information in violation of this subsection. Any person who violates this paragraph shall, upon conviction thereof, be guilty of a misdemeanor.

(6) The commissioner may make a nominal charge for any information so furnished, not to exceed the actual cost of furnishing the information; provided, however, that any such charge shall be deducted from the appropriate 1 percent administrative fee otherwise allowed to the commissioner for defraying the cost of collecting a local sales and use tax.

(7) Nothing contained in this subsection shall be construed to prevent the use of the information as evidence in any state or federal court in the event of litigation involving any municipal or county tax liability of a taxpayer."

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SECTION 2.

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All laws and parts of laws in conflict with this Act are repealed.