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SENATE FILE 2373

By COMMITTEE ON WAYS AND MEANS

(FORMERLY SSB 2302)

Approved 4/16 (p. 1530)

Passed Senate, Date 4/15/80 (p. 1530) Passed House, Date 4/24/80 (p. 5030)

Vote: Ayes 42 Nays 1 Vote: Ayes 83 Nays 11

Approved May 19 1980

A BILL FOR

1 An Act authorizing the legislative fiscal bureau to obtain
2 individual income tax information from the department of
3 revenue for statistical purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2373

1 Section 1. Section four hundred twenty-two point seventy-
2 two (422.72), subsection one (1), Code 1979, as amended by
3 Acts of the Sixty-eighth General Assembly, 1979 Session,
4 chapter ninety-four (94), section two (2), is amended to read
5 as follows:

6 1. It ~~shall be~~ is unlawful for the director, or any per-
7 son having an administrative duty under this chapter, or any
8 present or former officer or other employee of the state
9 authorized by the director to examine returns, to divulge
10 or to make known in any manner whatever, the business affairs,
11 operations, or information obtained by an investigation under
12 this chapter of records and equipment of any person or
13 corporation visited or examined in the discharge of official
14 duty, or the amount or source of income, profits, losses,
15 expenditures or any particular thereof, set forth or disclosed
16 in any return, or to permit any return or copy thereof or
17 any book containing any abstract or particulars thereof to
18 be seen or examined by any person except as provided by law.
19 However, the director may authorize examination of ~~such~~ state
20 returns and other state information which is confidential
21 under this section, if a reciprocal arrangement exists, by
22 tax officers of another state or the federal government.
23 The director may, by rules adopted pursuant to chapter 17A,
24 authorize examination of state information and returns by
25 other officers or employees of this state to the extent
26 required by their official duties and responsibilities.
27 Disclosure of state information to tax officers of another
28 state shall be limited to those disclosures which have a tax
29 administrative purpose and only to officers of those states
30 which have laws that are as strict as the laws of this state
31 protecting the confidentiality of such returns and information.
32 The director shall place upon the state tax form a notice
33 to the taxpayer that state tax information may be disclosed
34 to tax officials of another state or of the United States
35 for tax administrative purposes. The department shall not

1 authorize the examination of tax information by officers and
2 employees of this state, another state, or of the United
3 States if the officers or employees would otherwise be required
4 to obtain a judicial order to examine the information if it
5 were to be obtained from another source, and if the purpose
6 of the examination is other than for tax administration.
7 However, the director of revenue may provide sample individual
8 income tax information to be used for statistical purposes
9 to the legislative fiscal bureau. The information shall not
10 include the name or mailing address of the taxpayer or the
11 taxpayer's social security number. Any information contained
12 in an individual income tax return which is provided by the
13 director shall only be used as a part of a data base which
14 contains similar information from a number of returns. The
15 legislative fiscal bureau shall not have access to the income
16 tax returns of individuals. Each request for individual
17 income tax information shall contain a statement by the
18 director of the legislative fiscal bureau that the individual
19 income tax information received by the bureau shall be used
20 solely for statistical purposes. ~~Nothing-in-this~~ This
21 subsection ~~shall~~ does not prevent the department from
22 authorizing the examination of state returns and state
23 information ~~when-provided~~ under the provisions of section
24 252B.9. This subsection ~~shall-prevail~~ prevails over the
25 ~~provisions-of~~ any general law of this state relating to public
26 records.

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EXPLANATION

28 The bill authorizes the legislative fiscal bureau to obtain
29 sample income tax information from the department of revenue.

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SENATE FILE 2373

AN ACT

AUTHORIZING THE LEGISLATIVE FISCAL BUREAU TO OBTAIN INDIVIDUAL INCOME TAX INFORMATION FROM THE DEPARTMENT OF REVENUE FOR STATISTICAL PURPOSES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section four hundred twenty-two point seventy-two (422.72), subsection one (1), Code 1979, as amended by Acts of the Sixty-eighth General Assembly, 1979 Session, chapter ninety-four (94), section two (2), is amended to read as follows:

1. It ~~shall be~~ is unlawful for the director, or any person having an administrative duty under this chapter, or any present or former officer or other employee of the state authorized by the director to examine returns, to divulge or to make known in any manner whatever, the business affairs, operations, or information obtained by an investigation under this chapter of records and equipment of any person or corporation visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law. However, the director may authorize examination of ~~such~~ state returns and other state information which is confidential under this section, if a reciprocal arrangement exists, by tax officers of another state or the federal government.

The director may, by rules adopted pursuant to chapter 17A, authorize examination of state information and returns by other officers or employees of this state to the extent required by their official duties and responsibilities. Disclosure of state information to tax officers of another state shall be limited to those disclosures which have a tax administrative purpose and only to officers of those states which have laws that are as strict as the laws of this state protecting the confidentiality of such returns and information. The director shall place upon the state tax form a notice to the taxpayer that state tax information may be disclosed to tax officials of another state or of the United States for tax administrative purposes. The department shall not authorize the examination of tax information by officers and employees of this state, another state, or of the United States if the officers or employees would otherwise be required to obtain a judicial order to examine the information if it were to be obtained from another source, and if the purpose of the examination is other than for tax administration. However, the director of revenue may provide sample individual income tax information to be used for statistical purposes to the legislative fiscal bureau. The information shall not include the name or mailing address of the taxpayer or the taxpayer's social security number. Any information contained in an individual income tax return which is provided by the director shall only be used as a part of a data base which contains similar information from a number of returns. The legislative fiscal bureau shall not have access to the income tax returns of individuals. Each request for individual income tax information shall contain a statement by the director of the legislative fiscal bureau that the individual income tax information received by the bureau shall be used solely for statistical purposes. Nothing in this This subsection ~~shall~~ does not prevent the department from authorizing the examination of state returns and state

information ~~when-provided~~ under the provisions of section 252B.9. This subsection ~~shall-prevail~~ prevails over the ~~provisions-of~~ any general law of this state relating to public records.

TERRY E. BRANSTAD
President of the Senate

WILLIAM H. HARBOR
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2373, Sixty-eighth General Assembly.

FRANK J. STORK
Secretary of the Senate

Approved 5/19, 1980

ROBERT D. RAY
Governor