

# CHAPTER 8G

## TAXATION TRANSPARENCY AND DISCLOSURE

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### SUBCHAPTER I

#### TAXPAYER TRANSPARENCY ACT

Referred to in [§8.6](#)

#### 8G.1 Intent — findings.

The general assembly finds that taxpayers should be able to easily access the details on how the state is spending their tax dollars and the performance results achieved for those expenditures. Therefore, it is the intent of the general assembly to direct the department of management to create and maintain a searchable budget database and internet site detailing where tax dollars are expended, the purposes for which tax dollars are expended, and the results achieved for all taxpayer investments in state government.

[2011 Acts, ch 122, §41](#)

#### 8G.2 Short title.

This subchapter shall be known as and may be cited as the “*Taxpayer Transparency Act*”.

[2011 Acts, ch 122, §42](#)

#### 8G.3 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “Agency” means a state department, office, board, commission, bureau, division, institution, or public institution of higher education. “Agency” includes individual state agencies and programs, as well as those programs and activities that are administered by or involve more than one agency. “Agency” includes all elective offices in the executive branch of government and the general assembly. “Agency” includes the judicial branch of state government.

2. “Director” means the director of the department of management.

3. a. “Entity” or “recipients” means any of the following:

- (1) A corporation.
- (2) An association.
- (3) An employee union.
- (4) A limited liability company.
- (5) A limited liability partnership.
- (6) Any other legal business entity, including nonprofit entities.
- (7) A grant recipient.
- (8) Contractors.
- (9) A county, city, school district, or other local government entity.

b. “Entity” or “recipients” does not include an individual recipient of state assistance, an employee, or a student. The department of management shall define by rule adopted pursuant to [chapter 17A](#) the meaning of the term “*individual recipient of state assistance*”.

4. “Funding action or expenditure” includes details on the type of spending that is provided including but not limited to grants, contracts, and appropriations. “Funding action or expenditure” includes tax exemptions or credits. Where possible, an electronic link to the

actual grants or contracts shall be provided. An electronic link shall be in a format that is a searchable document.

5. “*Funding source*” means the state account or fund from which the expenditure is appropriated. “*Funding source*” does not include federal moneys or grants received by an agency.

6. “*Searchable internet site*” means an internet site that allows the public at no cost to search and compile the information identified in [section 8G.4](#) and that provides such information in a format capable of being downloaded from the site to personal computers.

7. “*State audit or report*” shall include any audit or report issued by the auditor of state, department of management, legislative services agency, legislative committee, or executive body relating to the entity or recipient of state funds, the budget program or activity, or agency.

8. “*Tax exemption or credit*” means an exclusion from the operation or collection of a tax imposed in this state. Tax exemption or credit includes tax credits, exemptions, deductions, and rebates. “*Tax exemption or credit*” also includes sales tax refunds if such refunds are applied for and granted as a form of financial assistance, including but not limited to the refunds allowed in [sections 15.331A](#) and [423.4](#).

9. “*Taxing jurisdiction*” means a political subdivision of the state with the authority to levy taxes. Taxing jurisdiction includes but is not limited to a city, a county, a school district, and a township.

[2011 Acts, ch 122, §43](#)

#### **8G.4 Searchable budget database internet site created.**

1. By January 1, 2013, the director shall develop and make publicly available a database internet site for searching, accessing, and processing data, including the data required in [this section](#), for the most recent state budget. The internet site shall be developed in such a way that the information can be provided to other software applications, including internet software applications, in a manner and format that allows such software applications to access and interpret the data using the internal programming of the software applications. In gathering or receiving information from agencies, the director shall make a good-faith effort to minimize the costs and disruptions to other agencies and their computer systems of providing such information.

2. The searchable internet site developed pursuant to [this section](#) shall allow the public at no cost to search and compile the information provided pursuant to [this subsection](#). Each state agency, except the institutions under the state board of regents, shall provide the following:

- a. Name of the entity or recipient of state funds.
- b. Amount of state funds expended.
- c. Funding or expending agency.
- d. Funding source.
- e. Budget program or activity of the expenditure.
- f. Descriptive purpose for the funding action or expenditure.
- g. Expected performance outcome for the funding action or expenditure, to the extent that such information is available and can be provided.
- h. Past performance outcomes achieved for the funding action or expenditure, to the extent that such information is available and can be provided.
- i. State audit or report relating to the entity or recipient of state funds or the budget program or activity or agency.
- j. Any other relevant information specified by the director.

3. For purposes of complying with [this section](#), the institutions under the state board of regents, for each budgeted department, program, or activity, shall provide the following:

- a. The funding source and the amount of state funds received by the institutions.
- b. The amount of state funds expended by the institutions.
- c. The names of the entities or recipients receiving state funds from the institutions.
- d. The amounts paid to the entities or recipients named in paragraph “c”.
- e. A description of the department, program, or activity involved, including, to the extent

practicable, the descriptive purpose and expected performance outcome of each budget program or activity.

f. Past performance outcomes of the budget program or activity.

g. State audit or report relating to the budget program or activity.

h. Other information as the institutions may deem appropriate for a budget program or activity.

4. a. In providing information pursuant to [this section](#) on tax exemptions or credits, the department of revenue shall do the following:

(1) Provide aggregate information for those tax exemptions or credits that are claimed by individual taxpayers.

(2) Provide the information described in [subsection 2](#) for those tax exemptions or credits that are awarded by an agency.

(3) Adhere to all applicable confidentiality provisions to the extent possible while complying with the requirements of [this section](#).

b. An agency awarding tax exemptions or credits shall provide to the department of revenue any information the department may request regarding such exemptions or credits.

5. In addition to the information to be provided pursuant to [subsection 2](#), there shall be provided on the searchable internet site all of the following:

a. A listing and description of awarded tax credits claimed for the individual income tax, corporate income tax, franchise tax, and insurance premiums tax. An awarded tax credit is a tax credit allowed and claimed through a state-authorized program. For each category of tax the internet site shall list each of the awarded tax credits applicable to it, the total amount of that tax credit claimed, and the number of taxpayers claiming the tax credit.

b. The estimated cost to the state of each of the twenty sales tax exemptions that account for the largest dollar amount share of sales tax exemptions under [section 423.3](#). The estimated cost to the state shall include the amount of exempt sales by business type for each county. This paragraph does not apply to the tax exemptions pursuant to [section 423.3, subsections 2, 31, 39, 58, 73, and 85](#).

c. The information to be provided pursuant to [subsection 2](#) shall also be provided for entities or recipients of the awarded tax credits or exemptions described in [this subsection](#).

6. [This section](#) does not apply to local governments.

[2011 Acts, ch 122, §44](#)

Referred to in [§8G.3, 422.20, 422.72](#)

### **8G.5 Internet site updates.**

1. Effective July 1, 2013, the internet site shall be updated regularly as new data and information become available, but shall be updated no less frequently than annually within sixty days following the close of the state fiscal year. In addition, the director may update the internet site as new data becomes available. All agencies shall provide to the director data that is required to be included on the internet site not later than sixty days following the close of the state fiscal year. The director shall provide guidance to agency heads or the governing body of an agency to ensure compliance with [this section](#).

2. By January 1, 2014, the director shall add data for the previous budgets to the internet site. Data for previous fiscal years may be added as it becomes available and as time permits. The director shall ensure that all data added to the internet site remain accessible to the public for a minimum of ten years.

[2011 Acts, ch 122, §45](#)

### **8G.6 Noncompliance.**

The director shall not be considered in compliance with [this subchapter](#) if the data required for the internet site is not available in a searchable manner and capable of being compiled or if the public is redirected to other government internet sites unless each of those sites displays information from all agencies and each category of information required can be searched electronically by field in a single search.

[2011 Acts, ch 122, §46](#)

8G.7 through 8G.9 Reserved.

SUBCHAPTER II  
TAXATION DISCLOSURE ACT

Referred to in [§8.6](#)

**8G.10 Intent — findings.**

The general assembly finds that increasing the ease of public access to state and local tax rates, particularly where the rates are currently available from disparate government sources and are difficult for the public to collect and efficiently aggregate, significantly contributes to governmental accountability, public participation, and the understanding of the cost of government services. Therefore, it is the intent of the general assembly to direct the department of management, in consultation with the department of revenue, to create and maintain a searchable database and internet site of each tax rate for all taxing jurisdictions in the state to make citizen access to state and local tax rates as open, transparent, and publicly accessible as is feasible.

[2011 Acts, ch 122, §47](#)

**8G.11 Short title.**

[This subchapter](#) shall be known and cited as the “*Taxation Disclosure Act*”.

[2011 Acts, ch 122, §48](#)

**8G.12 Tax rate database.**

1. *Searchable tax rate database.* By January 1, 2012, the department of management, in consultation with the department of revenue, shall make publicly available on an internet site a searchable database of all tax rates in the state for each taxing jurisdiction. The information shall include all applicable tax types imposed in the taxing jurisdiction and shall be organized, presented, and accessible, to the extent possible, by county, city, and physical address for each residency or business. Individual tax levies shall be further specified within each tax rate.

2. *Geographical tax rate map.* In addition to searching for tax rates in the manner described in subsection 1, searches shall be accommodated by a geographical tax rate map of the state that is capable of being displayed with a level of specificity corresponding to each taxing jurisdiction.

[2011 Acts, ch 122, §49](#)

Referred to in [§8G.13](#)

**8G.13 Updating database.**

To facilitate the department of management’s efforts in creating and maintaining a searchable database of the taxes identified in [section 8G.12, subsection 1](#), for all taxing jurisdictions in the state, each taxing jurisdiction may annually be required to report its tax rates to the department of management or the department of revenue and shall report any changes to its tax rates within thirty days of the change.

[2011 Acts, ch 122, §50; 2011 Acts, ch 131, §51, 158](#)