

By: Seliger

S.B. No. 636

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the authority of a county or other local governmental  
3 entity to receive local sales tax information.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subsection (c), Section 151.027, Tax Code, is  
6 amended to read as follows:

7 (c) This section does not prohibit:

8 (1) the examination of information, if authorized by  
9 the comptroller, by another state officer or law enforcement  
10 officer, by a tax official of another state, by a tax official of  
11 the United Mexican States, or by an official of the United States if  
12 a reciprocal agreement exists;

13 (2) the delivery to a taxpayer, or a taxpayer's  
14 authorized representative, of a copy of a report or other paper  
15 filed by the taxpayer under this chapter;

16 (3) the publication of statistics classified to  
17 prevent the identification of a particular report or items in a  
18 particular report;

19 (4) the use of records, reports, or information  
20 secured, derived, or obtained by the attorney general or the  
21 comptroller in an action under this chapter against the same  
22 taxpayer who furnished the information;

23 (5) the delivery to a successor, receiver, executor,  
24 administrator, assignee, or guarantor of a taxpayer of information

1 about items included in the measure and amounts of any unpaid tax or  
2 amounts of tax, penalties, and interest required to be collected;

3 (6) the delivery of information to a municipality,  
4 county, or other local governmental entity [~~an eligible~~  
5 ~~municipality~~] in accordance with Section 321.3022, 322.2022, or  
6 323.3022; or

7 (7) the release of information in or derived from a  
8 record, report, or other instrument required to be furnished under  
9 this chapter by a governmental body, as that term is defined in  
10 Section 552.003, Government Code.

11 SECTION 2. Section 321.3022, Tax Code, is amended by  
12 amending Subsections (a), (a-1), (b), (d), (e), (f), (g), (h), and  
13 (i) and adding Subsection (a-2) to read as follows:

14 (a) In this section, "other local governmental entity" has  
15 the meaning assigned by Section 321.107.

16 (a-1) Except as otherwise provided by this section, the  
17 comptroller on request shall provide to a municipality or other  
18 local governmental entity that has adopted a tax under this  
19 chapter:

20 (1) information relating to the amount of tax paid to  
21 the municipality or other local governmental entity under this  
22 chapter during the preceding or current calendar year by each  
23 person doing business in the municipality or other local  
24 governmental entity who annually remits to the comptroller state  
25 and local sales tax payments of more than \$25,000; and

26 (2) any other information as provided by this section.

27 (a-2) [~~(a-1)~~] The comptroller on request shall provide to a

1 municipality or other local governmental entity that has adopted a  
2 tax under this chapter and that does not impose an ad valorem tax  
3 information relating to the amount of tax paid to the municipality  
4 or other local governmental entity under this chapter during the  
5 preceding or current calendar year by each person doing business in  
6 the municipality or other local governmental entity who annually  
7 remits to the comptroller state and local sales tax payments of more  
8 than \$500.

9 (b) The comptroller on request shall provide to a  
10 municipality or other local governmental entity that has adopted a  
11 tax under this chapter information relating to the amount of tax  
12 paid to the municipality or other local governmental entity under  
13 this chapter during the preceding or current calendar year by each  
14 person doing business in an area, as defined by the municipality or  
15 other local governmental entity, that is part of:

- 16 (1) an interlocal agreement;
- 17 (2) a tax abatement agreement;
- 18 (3) a reinvestment zone;
- 19 (4) a tax increment financing district;
- 20 (5) a revenue sharing agreement;
- 21 (6) an enterprise zone;
- 22 (7) a neighborhood empowerment zone;
- 23 (8) any other agreement, zone, or district similar to  
24 those listed in Subdivisions (1)-(7); or
- 25 (9) any area defined by the municipality or other  
26 local governmental entity for the purpose of economic forecasting.

27 (d) If the request for information under Subsection (b)

1 involves not more than three persons doing business in the defined  
2 area who remit taxes under this chapter, the comptroller shall  
3 refuse to provide the information to the municipality or other  
4 local governmental entity unless the comptroller receives  
5 permission from each of the persons allowing the comptroller to  
6 provide the information to the municipality or other local  
7 governmental entity as requested.

8 (e) A separate request for information under this section  
9 must be made in writing by the municipality's mayor or chief  
10 administrative officer or by the governing body of the other local  
11 governmental entity each year.

12 (f) Information received by a municipality or other local  
13 governmental entity under this section is confidential, is not open  
14 to public inspection, and may be used only for the purpose of  
15 economic forecasting, for internal auditing of a tax paid to the  
16 municipality or other local governmental entity under this chapter,  
17 or for the purpose described in Subsection (g).

18 (g) Information received by a municipality or other local  
19 governmental entity under Subsection (b) may be used by the  
20 municipality or other local governmental entity to assist in  
21 determining revenue sharing under a revenue sharing agreement or  
22 other similar agreement.

23 (h) The comptroller may set and collect from a municipality  
24 or other local governmental entity reasonable fees to cover the  
25 expense of compiling and providing information under this section.

26 (i) Notwithstanding Chapter 551, Government Code, the  
27 governing body of a municipality or other local governmental

1 entity is not required to confer with one or more employees or a  
2 third party in an open meeting to receive information or question  
3 the employees or third party regarding the information received by  
4 the municipality or other local governmental entity under this  
5 section.

6 SECTION 3. Subchapter C, Chapter 322, Tax Code, is amended  
7 by adding Section 322.2022 to read as follows:

8 Sec. 322.2022. TAX INFORMATION. (a) Except as otherwise  
9 provided by this section, the comptroller on request shall provide  
10 to a taxing entity:

11 (1) information relating to the amount of tax paid to  
12 the entity under this chapter during the preceding or current  
13 calendar year by each person doing business in the area included in  
14 the entity who annually remits to the comptroller state and local  
15 sales tax payments of more than \$25,000; and

16 (2) any other information as provided by this section.

17 (b) The comptroller on request shall provide to a taxing  
18 entity information relating to the amount of tax paid to the entity  
19 under this chapter during the preceding or current calendar year by  
20 each person doing business in an area included in the entity, as  
21 defined by the entity, that is part of:

22 (1) an interlocal agreement;

23 (2) a revenue sharing agreement;

24 (3) any other agreement similar to those listed in  
25 Subdivisions (1) and (2); or

26 (4) any area defined by the entity for the purpose of  
27 economic forecasting.

1       (c) The comptroller shall provide the information under  
2 Subsection (b) as an aggregate total for all persons doing business  
3 in the defined area without disclosing individual tax payments.

4       (d) If the request for information under Subsection (b)  
5 involves not more than three persons doing business in the defined  
6 area who remit taxes under this chapter, the comptroller shall  
7 refuse to provide the information to the taxing entity unless the  
8 comptroller receives permission from each of the persons allowing  
9 the comptroller to provide the information to the entity as  
10 requested.

11       (e) A separate request for information under this section  
12 must be made in writing by the governing body of the taxing entity  
13 each year.

14       (f) Information received by a taxing entity under this  
15 section is confidential, is not open to public inspection, and may  
16 be used only for the purpose of economic forecasting, for internal  
17 auditing of a tax paid to the entity under this chapter, or for the  
18 purpose described by Subsection (g).

19       (g) Information received by a taxing entity under  
20 Subsection (b) may be used by the entity to assist in determining  
21 revenue sharing under a revenue sharing agreement or other similar  
22 agreement.

23       (h) The comptroller may set and collect from a taxing entity  
24 reasonable fees to cover the expense of compiling and providing  
25 information under this section.

26       (i) Notwithstanding Chapter 551, Government Code, the  
27 governing body of a taxing entity is not required to confer with one

1 or more employees or a third party in an open meeting to receive  
2 information or question the employees or third party regarding the  
3 information received by the entity under this section.

4 SECTION 4. Subchapter D, Chapter 323, Tax Code, is amended  
5 by adding Section 323.3022 to read as follows:

6 Sec. 323.3022. TAX INFORMATION. (a) In this section,  
7 "other local governmental entity" includes any governmental entity  
8 created by the legislature that has a limited purpose or function,  
9 that has a defined or restricted geographic territory, and that is  
10 authorized by law to impose a local sales and use tax the  
11 imposition, computation, administration, enforcement, and  
12 collection of which is governed by this chapter.

13 (b) Except as otherwise provided by this section, the  
14 comptroller on request shall provide to a county or other local  
15 governmental entity that has adopted a tax under this chapter:

16 (1) information relating to the amount of tax paid to  
17 the county or other local governmental entity under this chapter  
18 during the preceding or current calendar year by each person doing  
19 business in the county or other local governmental entity who  
20 annually remits to the comptroller state and local sales tax  
21 payments of more than \$25,000; and

22 (2) any other information as provided by this section.

23 (c) The comptroller on request shall provide to a county or  
24 other local governmental entity that has adopted a tax under this  
25 chapter information relating to the amount of tax paid to the county  
26 or other local governmental entity under this chapter during the  
27 preceding or current calendar year by each person doing business in

1 an area, as defined by the county or other local governmental  
2 entity, that is part of:

3 (1) an interlocal agreement;

4 (2) a tax abatement agreement;

5 (3) a reinvestment zone;

6 (4) a tax increment financing district;

7 (5) a revenue sharing agreement;

8 (6) an enterprise zone;

9 (7) any other agreement, zone, or district similar to  
10 those listed in Subdivisions (1)-(6); or

11 (8) any area defined by the county or other local  
12 governmental entity for the purpose of economic forecasting.

13 (d) The comptroller shall provide the information under  
14 Subsection (c) as an aggregate total for all persons doing business  
15 in the defined area without disclosing individual tax payments.

16 (e) If the request for information under Subsection (c)  
17 involves not more than three persons doing business in the defined  
18 area who remit taxes under this chapter, the comptroller shall  
19 refuse to provide the information to the county or other local  
20 governmental entity unless the comptroller receives permission  
21 from each of the persons allowing the comptroller to provide the  
22 information to the county or other local governmental entity as  
23 requested.

24 (f) A separate request for information under this section  
25 must be made in writing each year by the county judge or the  
26 governing body of the other local governmental entity.

27 (g) Information received by a county or other local



1 governmental entity under this section is confidential, is not open  
2 to public inspection, and may be used only for the purpose of  
3 economic forecasting, for internal auditing of a tax paid to the  
4 county or other local governmental entity under this chapter, or  
5 for the purpose described by Subsection (h).

6 (h) Information received by a county or other local  
7 governmental entity under Subsection (c) may be used by the county  
8 or other local governmental entity to assist in determining revenue  
9 sharing under a revenue sharing agreement or other similar  
10 agreement.

11 (i) The comptroller may set and collect from a county or  
12 other local governmental entity reasonable fees to cover the  
13 expense of compiling and providing information under this section.

14 (j) Notwithstanding Chapter 551, Government Code, the  
15 commissioners court of a county or the governing body of the other  
16 local governmental entity is not required to confer with one or more  
17 employees or a third party in an open meeting to receive information  
18 or question the employees or third party regarding the information  
19 received by the county or other local governmental entity under  
20 this section.

21 SECTION 5. This Act takes effect September 1, 2009.