

By: Longoria

H.B. No. 3872

A BILL TO BE ENTITLED

AN ACT

relating to data matching with financial institutions to facilitate the collection of state delinquent tax liabilities.

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

SECTION 1. Subchapter A, Chapter 111, Tax Code, is amended by adding Section 111.025 to read as follows:

Sec. 111.025. DELINQUENT TAXPAYER FINANCIAL RECORDS. (a)

In this section:

(1) "Account" means a demand deposit account, checking or negotiable order of withdrawal account, savings account, time deposit account, or money-market mutual fund account.

(2) "Delinquent taxpayer" means a person who at the time of the data match request is delinquent in a tax or fee administered by the comptroller.

(3) "Financial institution" means:

(A) a depository institution or an institution-affiliated party, as defined by 12 U.S.C. Section 1813;

(B) a federal credit union or a state credit union, as defined by 12 U.S.C. Section 1752, including an institution-affiliated party of a credit union, as defined by 12 U.S.C. Section 1786; or

(C) a benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in this state.

1 (b) For the purpose of carrying out the terms of this title,
2 the comptroller may request a financial institution to perform a
3 match that compares account holders' names, social security
4 numbers, or federal employer identification numbers to delinquent
5 taxpayer information provided by the comptroller.

6 (c) Not later than the 90th day after the date of the match
7 request under Subsection (b), the financial institution shall
8 file a report with the comptroller containing the following
9 information for each account containing matching information:

- 10 (1) the account holder's name;
11 (2) the account holder's address;
12 (3) the account holder's social security number or
13 federal employer identification number;
14 (4) the financial institution account number; and
15 (5) the amount of all funds contained in the account,
16 or any other account holder asset being held by the financial
17 institution.

18 (d) The comptroller shall make the match request under
19 Subsection (b) compatible with the data processing system of the
20 financial institution.

21 (e) The comptroller may not request a financial institution
22 to perform a match under this section more than once each calendar
23 quarter.

24 (f) The financial institution may not notify account
25 holders that the comptroller has requested a match or whether a
26 match has been made.

27 (g) The information in the match request and the match

1 report is subject to the confidentiality and the disclosure
2 provisions of Section 111.006.

3 (h) A financial institution is not liable to any person for
4 disclosing information to the comptroller under this section or for
5 any other action that the financial institution takes in good faith
6 to comply with this section.

7 (i) The comptroller may contract with third parties to
8 facilitate the implementation of this section. Third-party
9 contractors may use confidential information solely for the purpose
10 of implementing this section.

11 (j) The attorney general shall bring suit in the name of the
12 state to enforce this section. Venue for a suit arising under this
13 section is in Travis County.

14 (k) The comptroller may adopt rules to implement this
15 section.

16 SECTION 2. This Act takes effect September 1, 2019.