

## **BILL ANALYSIS**

S.B. 873  
By: Hancock  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, when a person wants to purchase an existing business, they may request a certificate from the comptroller of public accounts stating that no taxes are due by the business they are purchasing. If taxes are due, the comptroller must issue a statement to the purchaser of the amount required to be paid before a certificate can be issued. However, a conflict has been identified between this requirement and confidentiality protections in state law for taxpayer information which prohibits the comptroller from sharing specific tax information. S.B. 873 seeks to remedy this issue and allow the comptroller to disclose the taxes due to the purchaser of that business if the purchaser so requests by affidavit or other form prescribed by the comptroller.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 873 amends the Tax Code to specify that the manner in which the purchaser of a business may request that the comptroller of public accounts issue a certificate stating that no tax is due on the business or issue a statement of the amount required to be paid before such a certificate may be issued is on an affidavit or other form prescribed by the comptroller. The bill excepts the disclosure of a business's tax liability in response to such a request from the confidentiality protections for certain federal tax information and all information secured, derived, or obtained by the comptroller or the attorney general during the course of an examination of a taxpayer's books, records, papers, officers, or employees.

### **EFFECTIVE DATE**

September 1, 2021.