

SENATE AMENDMENTS

2nd Printing

By: Frullo

H.B. No. 2857

A BILL TO BE ENTITLED

AN ACT

relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.

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

SECTION 1. The heading to Section 111.0075, Tax Code, is amended to read as follows:

Sec. 111.0075. PROVISION ~~[USE]~~ OF INFORMATION RELATING TO TAX AUDITS.

SECTION 2. Sections 111.0075(a) and (b), Tax Code, are amended to read as follows:

(a) This section applies to information that:

(1) relates to a taxpayer that the comptroller is auditing or intends to audit;

(2) is considered public information under Chapter 552, Government Code; and

(3) is requested from ~~[made available by]~~ the comptroller by ~~[to]~~ a person ~~[who requested that information]~~ under Chapter 552, Government Code.

(b) Notwithstanding Section 552.221(a), Government Code, the comptroller may not provide ~~[A person who obtains]~~ information described by Subsection (a) of this section to a person other than the ~~[and who is not a]~~ taxpayer to whom the information relates earlier than the 20th day after the date the comptroller mails the notice of intent to audit to the taxpayer ~~[may not, before the sixth~~

1 ~~day after the date the comptroller made the information available~~
2 ~~to the person, use the information for the direct solicitation of~~
3 ~~business or employment for pecuniary gain].~~

4 SECTION 3. Sections 111.0075(c), (d), (e), and (f), Tax
5 Code, are repealed.

6 SECTION 4. The repeal by this Act of Section 111.0075(d),
7 Tax Code, does not affect the imposition of a penalty under that
8 section for conduct occurring before the effective date of this
9 Act. For purposes of this section, conduct occurs before the
10 effective date of this Act if any element of the conduct subject to
11 the imposition of the penalty occurs before that date. Conduct
12 occurring before the effective date of this Act is governed by the
13 law in effect when the conduct occurred, and the former law is
14 continued in effect for that purpose.

15 SECTION 5. The change in law made by this Act applies only
16 to information requested by a person under Chapter 552, Government
17 Code, on or after the effective date of this Act. Information
18 requested before the effective date of this Act is governed by the
19 law in effect on the date the information was requested, and the
20 former law is continued in effect for that purpose.

21 SECTION 6. This Act takes effect September 1, 2021.

ADOPTED

MAY 27 2021

Letsy Spaw
Secretary of the Senate

By: Frullo / Hancock

H.B. No. 2857

Substitute the following for ___B. No. ___:

By: Kelly Harmon

C.S.H. B. No. 2857

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18 Chapter 552, Government Code.

19 (b) Notwithstanding Section 552.221(a), Government Code,
20 the comptroller may not provide ~~[A person who obtains]~~ information
21 described by Subsection (a) of this section to a person other than
22 the ~~[and who is not a]~~ taxpayer to whom the information relates
23 earlier than the 14th day after the date the comptroller mails the
24 notice of intent to audit to the taxpayer ~~[may not, before the sixth]~~

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LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 27, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2857 by Frullo (Relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 111.0075 of the Tax Code, regarding information relating to tax audits.

The bill would prohibit the Comptroller from providing information about tax audits to anyone other than the taxpayer before the 14th day after the Comptroller mails the notice of intent to audit to the taxpayer.

The bill would repeal the civil penalty for misusing the information obtained under this section.

The Comptroller indicates the repeal of the civil penalty in Section 111.0075(d) would not have any significant fiscal implications for the state.

The bill would take effect September 1, 2021.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SD, SZ, KK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 21, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB2857** by Frullo (relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 111.0075 of the Tax Code, regarding information relating to tax audits.

The bill would prohibit the Comptroller from providing information about tax audits to anyone other than the taxpayer before the 14th day after the Comptroller mails the notice of intent to audit to the taxpayer.

The bill would repeal the civil penalty for misusing the information obtained under this section.

The Comptroller indicates the repeal of the civil penalty in Section 111.0075(d) would not have any significant fiscal implications for the state.

The bill would take effect September 1, 2021.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, SD, KK

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 14, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2857 by Frullo (Relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

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The bill would take effect September 1, 2021.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, KK, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 5, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2857 by Frullo (Relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 111.0075 of the Tax Code, regarding information relating to tax audits.

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The bill would take effect September 1, 2021.

Local Government Impact

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Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

TAX/FEE EQUITY NOTE

87TH LEGISLATIVE REGULAR SESSION

April 5, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2857 by Frullo (Relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.), **As Introduced**

No statistically significant impact on the overall distribution of a state tax or fee burden among individuals and businesses is anticipated from the provisions of this bill.

Source

Agencies:

LBB Staff: JMc, KK