

The House Committee on Judiciary offers the following substitute to HB 452:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 2 of Title 48 of the Official Code of Georgia Annotated,
2 relating to the administration of revenue and taxation, so as to require financial institutions
3 to provide certain information related to delinquent taxpayers to the Department of Revenue
4 under certain conditions; to provide for conditions, limitations, and prohibitions; to provide
5 for definitions; to provide for related matters; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 2 of Title 48 of the Official Code of Georgia Annotated, relating to the
10 administration of revenue and taxation, is amended by adding a new Code section to read as
11 follows:

12 "48-2-63.

13 (a) As used in this Code section, the term:

14 (1) 'Delinquent taxpayer' shall have the same meaning as defined in Code Section
15 48-3-40.

16 (2) 'Financial institution' means:

17 (A) A depository institution as defined in 12 U.S.C. Section 1813(c);

18 (B) Any federal or state credit union as defined in 12 U.S.C. Sections 1752 and
19 1786(r); or

20 (C) Any benefit association, insurance company, safe deposit company, money market
21 mutual fund, brokerage firm, trust company, or similar entity authorized to do business
22 in the State of Georgia.

23 (b) The department may request not more than four times a year from a financial
24 institution information that identifies a delinquent taxpayer for whom the department has
25 filed an execution in accordance with Chapter 3 of this title.

26 (c) Financial institutions doing business in this state shall, within 30 days after a financial
27 institution receives a request for information under subsection (b) of this Code section,
28 submit a report in an electronic format prescribed by the department identifying any
29 accounts the financial institution holds with respect to the delinquent taxpayer identified
30 in the request.

31 (d) The department is authorized to enter into agreements with financial institutions to
32 develop and operate an automated data exchange to the maximum extent feasible, under
33 which the financial institution shall provide the name, record address, social security
34 number or other taxpayer identification number, average daily account balance, and other
35 identifying information for each delinquent taxpayer who maintains an account at the
36 financial institution as identified to the institution by the department by name and social
37 security number or other taxpayer identification number.

38 (e) The department is authorized to designate a third-party agent to administer and operate
39 the automated data exchange between the department and financial institutions contained
40 in subsection (d) of this Code section. Any such data exchanged shall be protected as if it
41 were confidential tax information and shall not be disclosed except as specifically
42 authorized under this Code section. It shall be unlawful for any person to divulge
43 confidential tax information in violation of this Code section. Any person who violates this
44 Code section shall, upon conviction thereof, be subject to the same penalties that would
45 apply to an employee of the department convicted of divulging confidential tax
46 information.

47 (f) The department may use the information received pursuant to this Code section only
48 for the purpose of enforcing the collection of taxes and fees administered by the
49 department.

50 (g) To the extent possible and in compliance with state and federal law, the department
51 shall administer this Code section in the same manner as prescribed in Article 1 of Chapter
52 11 of Title 19 to avoid duplication and reduce the burden on financial institutions.

53 (h) A financial institution furnishing a report to the department under this Code section is
54 prohibited from disclosing to any person, including the delinquent taxpayer, any
55 information that has been received from or furnished to the department or the department's
56 designated agent under subsection (e) of this Code section.

57 (i) A financial institution that complies with a request from the department by submitting
58 a report to the department in accordance with this Code section shall not be liable under
59 state law to any person for:

60 (1) Disclosing information to the department under this Code section;

61 (2) Encumbering or surrendering any assets held by the financial institution in response
62 to a notice of lien or levy issued by the department; or

- 63 (3) Other action taken in good faith to comply with the requirements of this Code
64 section.
- 65 (j) Any financial records obtained pursuant to this Code section may be disclosed only for
66 the purpose of, and to the extent necessary for, administration and enforcement of the tax
67 laws of this state.
- 68 (k) The department may adopt rules establishing the procedures and requirements for
69 conducting automated data matches with financial institutions pursuant to this Code
70 section.
- 71 (l) The commissioner may institute civil proceedings to enforce this Code section.
- 72 (m) The department shall have the authority to levy and seize any intangible property
73 identified under this Code section in accordance with Code Section 48-2-55.
- 74 (n) A financial institution may charge an account levied on by the commissioner a fee, as
75 determined by the commissioner, of not less than \$20.00 nor more than \$50.00 which shall
76 be deducted from such account prior to remitting funds to the department. The
77 commissioner shall not be liable for costs otherwise assessable pursuant to Code Section
78 7-1-237."

79 **SECTION 2.**

80 All laws and parts of laws in conflict with this Act are repealed.