

# FINAL BILL REPORT

## SB 5282

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Synopsis as Enacted

**Brief Description:** Modifying department of revenue tax information disclosure regulations.

**Sponsors:** Senators Fraser and Newhouse; by request of Department of Revenue.

**Senate Committee on Law & Justice**  
**Senate Committee on Ways & Means**  
**House Committee on Finance**

**Background:** Current law does not allow the Department of Revenue to answer certain types of requests from the public. There is concern that clarification is needed to simplify what information may be disclosed to the public and what information requires confidentiality. In addition, some existing restrictions impede the department's ability to investigate and collect amounts that are owed under Washington tax laws.

**Summary:** The Department of Revenue or an officer, employee, agent, or representative may not disclose tax information regarding a taxpayer, if the director determines that the disclosure may identify a confidential informant.

The department does not have authority to give, sell, or provide access to any list of taxpayers for any commercial purpose. It may disclose tax information that is also maintained by another Washington State agency, local governmental agency or court of record as a public record.

The department may disclose taxpayer information to a person under investigation or during any court or administrative proceeding. The information must be obtained in connection with the department's duties relating to an audit, collection activity, or civil or criminal investigation. The disclosure may occur only when the person under investigation and the person in possession of the information are parties to the return or tax information to be disclosed. Notice is required to be given to the taxpayer who is in possession of the tax information. There is a 20-day time period for the person in possession of the information to petition superior court for injunctive relief. A list of factors is provided for the court to consider in deciding whether to limit or deny the request of the department. The department is required to pay the costs of production of the information it seeks.

**Votes on Final Passage:**

Senate	48	0	
House	95	0	(House amended)
Senate	45	0	(Senate concurred)

**Effective:** July 1, 1995