HB 2102   STAFF MEASURE SUMMARY

Carrier: Sen. Hass

Senate Committee On Finance and Revenue

Action Date:	05/08/19
Action:	Do pass.
Vote:	3-0-0-2
Yeas:	3 - Hass, Riley, Taylor
Abs:	2 - Bentz, Boquist
Fiscal:	No fiscal impact
Revenue:	Revenue impact issued
Prepared By:	Kyle Easton, Economist
Meeting Dates:	4/17, 5/8

WHAT THE MEASURE DOES:

Allows Department of Revenue (DOR) to disclose income tax information to a multijurisdictional information sharing organization formed with oversight by the Internal Revenue Service to combat identity theft and fraud. Allows DOR to also disclose such information to tax preparation software vendors that are members of such an organization. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:
- Existing disclosure limitations of tax particulars
- Measure modifies existing disclosure laws to allow Department of Revenue (DOR) to disclose income tax information to a multijurisdictional information sharing organization for purpose of combating identity theft and fraud
- Description of income tax data that would be allowed to be shared
- Current interaction between DOR and state police to investigate identity theft
- Information is shared to multijurisdictional information sharing organization, individual tax preparers do not have access to this information.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Information Sharing and Analysis Centers (ISAC) exist to ensure protection of critical U.S. infrastructures including informational systems and physical assets supporting them. First piloted in 2017, the Identity Theft Tax Refund Fraud ISAC was formed with equal partners from the Internal Revenue Service, industry and states. The ISAC's purpose is to:
- Facilitate information exchange for tax administration purposes related to identity theft tax refund fraud
- Provide a forum for participants to discuss real-time responses to such fraud schemes
- Promote the advancement of data analysis, capabilities, methodologies and strategies to detect, reduce, and prevent this type of fraud.

This summary has not been adopted or officially endorsed by action of the committee.   1 of 1