

UNCLAIMED PROPERTY AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jefferson Moss

Senate Sponsor: Stephanie Pitcher

LONG TITLE

General Description:

This bill modifies the confidentiality provisions applicable to certain information in an income tax return.

Highlighted Provisions:

This bill:

▶ allows the State Tax Commission to provide the unclaimed property administrator certain information from income tax returns for the purpose of returning property to its owner.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-1-403, as last amended by Laws of Utah 2022, Chapter 447

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **59-1-403** is amended to read:

59-1-403. Confidentiality -- Exceptions -- Penalty -- Application to property tax.

(1) As used in this section:



- 28 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:
- 29 (i) the commission administers under:
- 30 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax Act;
- 31 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
- 32 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 33 (D) Section 19-6-805;
- 34 (E) Section 63H-1-205; or
- 35 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges;

36 and

37 (ii) with respect to which the commission distributes the revenue collected from the
38 tax, fee, or charge to a qualifying jurisdiction.

39 (b) "Qualifying jurisdiction" means:

40 (i) a county, city, town, or metro township; or

41 (ii) the military installation development authority created in Section 63H-1-201.

42 (2) (a) Any of the following may not divulge or make known in any manner any
43 information gained by that person from any return filed with the commission:

44 (i) a tax commissioner;

45 (ii) an agent, clerk, or other officer or employee of the commission; or

46 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or
47 town.

48 (b) An official charged with the custody of a return filed with the commission is not
49 required to produce the return or evidence of anything contained in the return in any action or
50 proceeding in any court, except:

51 (i) in accordance with judicial order;

52 (ii) on behalf of the commission in any action or proceeding under:

53 (A) this title; or

54 (B) other law under which persons are required to file returns with the commission;

55 (iii) on behalf of the commission in any action or proceeding to which the commission
56 is a party; or

57 (iv) on behalf of any party to any action or proceeding under this title if the report or
58 facts shown by the return are directly involved in the action or proceeding.

59 (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may
60 admit in evidence, any portion of a return or of the facts shown by the return, as are specifically
61 pertinent to the action or proceeding.

62 (3) This section does not prohibit:

63 (a) a person or that person's duly authorized representative from receiving a copy of
64 any return or report filed in connection with that person's own tax;

65 (b) the publication of statistics as long as the statistics are classified to prevent the
66 identification of particular reports or returns; and

67 (c) the inspection by the attorney general or other legal representative of the state of the
68 report or return of any taxpayer:

69 (i) who brings action to set aside or review a tax based on the report or return;

70 (ii) against whom an action or proceeding is contemplated or has been instituted under
71 this title; or

72 (iii) against whom the state has an unsatisfied money judgment.

73 (4) (a) Notwithstanding Subsection (2) and for purposes of administration, the
74 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative
75 Rulemaking Act, provide for a reciprocal exchange of information with:

76 (i) the United States Internal Revenue Service; or

77 (ii) the revenue service of any other state.

78 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and
79 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,
80 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and
81 other written statements with the federal government, any other state, any of the political
82 subdivisions of another state, or any political subdivision of this state, except as limited by
83 Sections [59-12-209](#) and [59-12-210](#), if the political subdivision, other state, or the federal
84 government grant substantially similar privileges to this state.

85 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and
86 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,
87 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the
88 identity and other information of taxpayers who have failed to file tax returns or to pay any tax
89 due.

90 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the
91 Division of Environmental Response and Remediation, as defined in Section 19-6-402, as
92 requested by the director of the Division of Environmental Response and Remediation, any
93 records, returns, or other information filed with the commission under Chapter 13, Motor and
94 Special Fuel Tax Act, or Section 19-6-410.5 regarding the environmental assurance program
95 participation fee.

96 (e) Notwithstanding Subsection (2), at the request of any person the commission shall
97 provide that person sales and purchase volume data reported to the commission on a report,
98 return, or other information filed with the commission under:

99 (i) Chapter 13, Part 2, Motor Fuel; or

100 (ii) Chapter 13, Part 4, Aviation Fuel.

101 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer,
102 as defined in Section 59-22-202, the commission shall report to the manufacturer:

103 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
104 manufacturer and reported to the commission for the previous calendar year under Section
105 59-14-407; and

106 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
107 manufacturer for which a tax refund was granted during the previous calendar year under
108 Section 59-14-401 and reported to the commission under Subsection 59-14-401(1)(a)(v).

109 (g) Notwithstanding Subsection (2), the commission shall notify manufacturers,
110 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is prohibited
111 from selling cigarettes to consumers within the state under Subsection 59-14-210(2).

112 (h) Notwithstanding Subsection (2), the commission may:

113 (i) provide to the Division of Consumer Protection within the Department of
114 Commerce and the attorney general data:

115 (A) reported to the commission under Section 59-14-212; or

116 (B) related to a violation under Section 59-14-211; and

117 (ii) upon request, provide to any person data reported to the commission under
118 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).

119 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee
120 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's Office of

121 Planning and Budget, provide to the committee or office the total amount of revenues collected
122 by the commission under Chapter 24, Radioactive Waste Facility Tax Act, for the time period
123 specified by the committee or office.

124 (j) Notwithstanding Subsection (2), the commission shall make the directory required
125 by Section 59-14-603 available for public inspection.

126 (k) Notwithstanding Subsection (2), the commission may share information with
127 federal, state, or local agencies as provided in Subsection 59-14-606(3).

128 (l) (i) Notwithstanding Subsection (2), the commission shall provide the Office of
129 Recovery Services within the Department of Health and Human Services any relevant
130 information obtained from a return filed under Chapter 10, Individual Income Tax Act,
131 regarding a taxpayer who has become obligated to the Office of Recovery Services.

132 (ii) The information described in Subsection (4)(l)(i) may be provided by the Office of
133 Recovery Services to any other state's child support collection agency involved in enforcing
134 that support obligation.

135 (m) (i) Notwithstanding Subsection (2), upon request from the state court
136 administrator, the commission shall provide to the state court administrator, the name, address,
137 telephone number, county of residence, and social security number on resident returns filed
138 under Chapter 10, Individual Income Tax Act.

139 (ii) The state court administrator may use the information described in Subsection
140 (4)(m)(i) only as a source list for the master jury list described in Section 78B-1-106.

141 (n) (i) As used in this Subsection (4)(n):

142 (A) "GO Utah office" means the Governor's Office of Economic Opportunity created in
143 Section 63N-1a-301.

144 (B) "Income tax information" means information gained by the commission that is
145 required to be attached to or included in a return filed with the commission under Chapter 7,
146 Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.

147 (C) "Other tax information" means information gained by the commission that is
148 required to be attached to or included in a return filed with the commission except for a return
149 filed under Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual
150 Income Tax Act.

151 (D) "Tax information" means income tax information or other tax information.

152 (ii) (A) Notwithstanding Subsection (2) and except as provided in Subsection
153 (4)(n)(ii)(B) or (C), the commission shall at the request of the GO Utah office provide to the
154 GO Utah office all income tax information.

155 (B) For purposes of a request for income tax information made under Subsection
156 (4)(n)(ii)(A), the GO Utah office may not request and the commission may not provide to the
157 GO Utah office a person's address, name, social security number, or taxpayer identification
158 number.

159 (C) In providing income tax information to the GO Utah office, the commission shall
160 in all instances protect the privacy of a person as required by Subsection (4)(n)(ii)(B).

161 (iii) (A) Notwithstanding Subsection (2) and except as provided in Subsection
162 (4)(n)(iii)(B), the commission shall at the request of the GO Utah office provide to the GO
163 Utah office other tax information.

164 (B) Before providing other tax information to the GO Utah office, the commission
165 shall redact or remove any name, address, social security number, or taxpayer identification
166 number.

167 (iv) The GO Utah office may provide tax information received from the commission in
168 accordance with this Subsection (4)(n) only:

169 (A) as a fiscal estimate, fiscal note information, or statistical information; and

170 (B) if the tax information is classified to prevent the identification of a particular
171 return.

172 (v) (A) A person may not request tax information from the GO Utah office under Title
173 63G, Chapter 2, Government Records Access and Management Act, or this section, if the GO
174 Utah office received the tax information from the commission in accordance with this
175 Subsection (4)(n).

176 (B) The GO Utah office may not provide to a person that requests tax information in
177 accordance with Subsection (4)(n)(v)(A) any tax information other than the tax information the
178 GO Utah office provides in accordance with Subsection (4)(n)(iv).

179 (o) Notwithstanding Subsection (2), the commission may provide to the governing
180 board of the agreement or a taxing official of another state, the District of Columbia, the United
181 States, or a territory of the United States:

182 (i) the following relating to an agreement sales and use tax:

183 (A) information contained in a return filed with the commission;
184 (B) information contained in a report filed with the commission;
185 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or
186 (D) a document filed with the commission; or
187 (ii) a report of an audit or investigation made with respect to an agreement sales and
188 use tax.

189 (p) Notwithstanding Subsection (2), the commission may provide information
190 concerning a taxpayer's state income tax return or state income tax withholding information to
191 the Driver License Division if the Driver License Division:

192 (i) requests the information; and
193 (ii) provides the commission with a signed release form from the taxpayer allowing the
194 Driver License Division access to the information.

195 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah
196 Communications Authority, or a division of the Utah Communications Authority, the
197 information requested by the authority under Sections [63H-7a-302](#), [63H-7a-402](#), and
198 [63H-7a-502](#).

199 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah
200 Educational Savings Plan information related to a resident or nonresident individual's
201 contribution to a Utah Educational Savings Plan account as designated on the resident or
202 nonresident's individual income tax return as provided under Section [59-10-1313](#).

203 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under
204 Sections [26-18-2.5](#) and [26-40-105](#), the commission shall provide an eligibility worker with the
205 Department of Health and Human Services or its designee with the adjusted gross income of an
206 individual if:

207 (i) an eligibility worker with the Department of Health and Human Services or its
208 designee requests the information from the commission; and

209 (ii) the eligibility worker has complied with the identity verification and consent
210 provisions of Sections [26-18-2.5](#) and [26-40-105](#).

211 (t) Notwithstanding Subsection (2), the commission may provide to a county, as
212 determined by the commission, information declared on an individual income tax return in
213 accordance with Section [59-10-103.1](#) that relates to eligibility to claim a residential exemption

214 authorized under Section 59-2-103.

215 (u) Notwithstanding Subsection (2), the commission shall provide a report regarding
216 any access line provider that is over 90 days delinquent in payment to the commission of
217 amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid Wireless
218 Telecommunications Service Charges, to the board of the Utah Communications Authority
219 created in Section 63H-7a-201.

220 (v) Notwithstanding Subsection (2), the commission shall provide the Department of
221 Environmental Quality a report on the amount of tax paid by a radioactive waste facility for the
222 previous calendar year under Section 59-24-103.5.

223 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the
224 Department of Workforce Services any information received under Chapter 10, Part 4,
225 Withholding of Tax, that is relevant to the duties of the Department of Workforce Services.

226 (x) Notwithstanding Subsection (2), the commission may provide the Public Service
227 Commission or the Division of Public Utilities information related to a seller that collects and
228 remits to the commission a charge described in Subsection 69-2-405(2), including the seller's
229 identity and the number of charges described in Subsection 69-2-405(2) that the seller collects.

230 (y) (i) Notwithstanding Subsection (2), the commission shall provide to each qualifying
231 jurisdiction the collection data necessary to verify the revenue collected by the commission for
232 a distributed tax, fee, or charge collected within the qualifying jurisdiction.

233 (ii) In addition to the information provided under Subsection (4)(y)(i), the commission
234 shall provide a qualifying jurisdiction with copies of returns and other information relating to a
235 distributed tax, fee, or charge collected within the qualifying jurisdiction.

236 (iii) (A) To obtain the information described in Subsection (4)(y)(ii), the chief
237 executive officer or the chief executive officer's designee of the qualifying jurisdiction shall
238 submit a written request to the commission that states the specific information sought and how
239 the qualifying jurisdiction intends to use the information.

240 (B) The information described in Subsection (4)(y)(ii) is available only in official
241 matters of the qualifying jurisdiction.

242 (iv) Information that a qualifying jurisdiction receives in response to a request under
243 this subsection is:

244 (A) classified as a private record under Title 63G, Chapter 2, Government Records

245 Access and Management Act; and

246 (B) subject to the confidentiality requirements of this section.

247 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic
248 Beverage Services Commission, upon request, with taxpayer status information related to state
249 tax obligations necessary to comply with the requirements described in Section [32B-1-203](#).

250 (aa) (i) As used in this Subsection (4)(aa), "unclaimed property administrator" means
251 the administrator or the administrator's agent, as those terms are defined in Section [67-4a-102](#).

252 (ii) (A) Notwithstanding Subsection (2), upon request from the unclaimed property
253 administrator and to the extent allowed under federal law, the commission shall provide the
254 unclaimed property administrator the name, address, telephone number, county of residence,
255 and social security number or federal employer identification number on any return filed under
256 Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10, Individual Income Tax Act.

257 (B) The unclaimed property administrator may use the information described in
258 Subsection (4)(aa)(ii)(A) only for the purpose of returning unclaimed property to the property's
259 owner in accordance with Title 67, Chapter 4a, Revised Uniform Unclaimed Property Act.

260 (iii) The unclaimed property administrator is subject to the confidentiality provisions of
261 this section with respect to any information the unclaimed property administrator receives
262 under this Subsection (4)(aa).

263 (5) (a) Each report and return shall be preserved for at least three years.

264 (b) After the three-year period provided in Subsection (5)(a) the commission may
265 destroy a report or return.

266 (6) (a) Any individual who violates this section is guilty of a class A misdemeanor.

267 (b) If the individual described in Subsection (6)(a) is an officer or employee of the
268 state, the individual shall be dismissed from office and be disqualified from holding public
269 office in this state for a period of five years thereafter.

270 (c) Notwithstanding Subsection (6)(a) or (b), the GO Utah office, when requesting
271 information in accordance with Subsection (4)(n)(iii), or an individual who requests
272 information in accordance with Subsection (4)(n)(v):

273 (i) is not guilty of a class A misdemeanor; and

274 (ii) is not subject to:

275 (A) dismissal from office in accordance with Subsection (6)(b); or

276 (B) disqualification from holding public office in accordance with Subsection (6)(b).

277 (7) Except as provided in Section [59-1-404](#), this part does not apply to the property tax.