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INTRODUCED BY H Waldron BILL NO. 157
BY REQUEST OF THE DEPARTMENT OF REVENUE

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 84-4931, R.C.M. 1947, PROVIDING SPECIFICALLY THAT THE DIVULGING OF FEDERAL RETURN INFORMATION CONTAINED ON A STATE TAX RETURN IS UNLAWFUL."

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

Section 1. Section 84-4931, R.C.M. 1947, is amended to read as follows:

"84-4931. Divulging information unlawful -- exceptions -- penalty. (1) Except in accordance with proper judicial order or as otherwise provided by law, it is unlawful for the department or any deputy, assistant, agent, clerk or other officer or employee to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required under this act, or any other information secured in the administration of this act. ~~It is also unlawful to divulge or make known in any manner any federal return or federal return information disclosed on any return or report required by rule of the department of revenue or under this act.~~ The officers charged with the custody of such reports and returns shall

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not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except in any action or proceeding under the provisions of this act, or any other taxing act, to which the department is a party, or on behalf of any party to any action or proceedings under the provisions of this act or such other act when the reports or facts shown thereby are directly involved in such action or proceedings, in either of which events, the court may require the production of, and may admit in evidence, so much of said reports or of the facts shown thereby, as are pertinent to the action or proceedings and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer or his duly authorized representative of a certified copy of any return or report filed in connection with his tax nor to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof, or the inspection by the attorney general, or other legal representatives of the state, of the report or return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted in accordance with the provisions of section 84-4928 and section 84-4929. Reports and returns shall be preserved for three (3) years and thereafter until the department orders them to be destroyed.

1 (2) Any offense against subdivision one (1) of this
 2 section shall be punished by a fine not exceeding one
 3 thousand dollars (\$1,000.00), or by imprisonment in the
 4 county jail not exceeding one (1) year, or both, at the
 5 discretion of the court, and if the offender be an officer
 6 or employee of the state, he shall be dismissed from office
 7 and be incapable of holding any public office in this state
 8 for a period of one (1) year, thereafter.

9 (3) Notwithstanding the provisions of this section,
 10 the department may permit the commissioner of internal
 11 revenue of the United States, or the proper officer of any
 12 state imposing a tax upon the incomes of individuals, or the
 13 authorized representatives of either such officer, to
 14 inspect the returns of income of any individuals, or may
 15 furnish to such officer or his authorized representatives an
 16 abstract of the return of income of any individual or supply
 17 him with information concerning any item of income contained
 18 in any return, or disclosed by the report of any
 19 investigation of the income or return of income of any
 20 individual, but such permission shall be granted or such
 21 information furnished to such officer or his representative,
 22 only if the statutes of the United States or of such other
 23 state, as the case may be, grant substantially similar
 24 privileges to the proper officer of this state charged with
 25 the administration of this act.

1 (4) Further, notwithstanding any of the provisions of
 2 this section, the department shall furnish to the Montana
 3 highway patrol board all information necessary to identify
 4 those persons qualifying for the additional exemption for
 5 blindness pursuant to section 84-4910 (d), for the purpose
 6 of enabling said highway patrol board to administer the
 7 provisions of section 31-127, R.C.M. 1947."

-End-

Approved by Committee
on Taxation

1 H BILL NO. 157
2 INTRODUCED BY Walshon
3 BY REQUEST OF THE DEPARTMENT OF REVENUE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
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18 manner the amount of income or any particulars set forth or
19 disclosed in any report or return required under this act,
20 or any other information secured in the administration of
21 this act. It is also unlawful to divulge or make known in
22 any manner any federal return or federal return information
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25 charged with the custody of such reports and returns shall

1 not be required to produce any of them or evidence of
2 anything contained in them in any action or proceeding in
3 any court, except in any action or proceeding under the
4 provisions of this act, or any other taxing act, to which
5 the department is a party, or on behalf of any party to any
6 action or proceedings under the provisions of this act or
7 such other act when the reports or facts shown thereby are
8 directly involved in such action or proceedings, in either
9 of which events, the court may require the production of,
10 and may admit in evidence, so much of said reports or of the
11 facts shown thereby, as are pertinent to the action or
12 proceedings and no more. Nothing herein shall be construed
13 to prohibit the delivery to a taxpayer or his duly
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15 or report filed in connection with his tax nor to prohibit
16 the publication of statistics so classified as to prevent
17 the identification of particular reports or returns and the
18 items thereof, or the inspection by the attorney general, or
19 other legal representatives of the state, of the report or
20 return of any taxpayer who shall bring action to set aside
21 or review the tax based thereon, or against whom an action
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2 this section, the department shall furnish to the Montana
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5 blindness pursuant to section 84-4910 (d), for the purpose
6 of enabling said highway patrol board to administer the
7 provisions of section 31-127, R.C.M. 1947."

-End-

THIRD READING

MISSING

1 HOUSE BILL NO. 157

2 INTRODUCED BY WALDRON

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

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REFERENCE BILL

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