

1 ^{House} BILL NO. 476
 2 INTRODUCED BY [Signature] [Signature] [Signature]
 3 [Signature] [Signature] [Signature]
 4 A BILL FOR AN ACT ENTITLED "AN ACT PROVIDING FOR
 5 CONFIDENTIALITY OF VIDEO DRAW POKER MACHINE INCOME AND
 6 PAYBACK VERIFICATION STATISTICS; AND AMENDING SECTIONS
 7 15-30-303 AND 23-5-607, MCA."
 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 10 Section 1. Section 15-30-303, MCA, is amended to read:
 11 "15-30-303. Confidentiality of tax records. (1) Except
 12 in accordance with proper judicial order or as otherwise
 13 provided by law, it is unlawful for the department or any
 14 deputy, assistant, agent, clerk, or other officer or
 15 employee to divulge or make known in any manner the amount
 16 of income or any particulars set forth or disclosed in any
 17 report or return required under this chapter or any other
 18 information secured in the administration of this chapter.
 19 It is also unlawful to divulge or make known in any manner
 20 any federal return or federal return information disclosed
 21 on any return or report required by rule of the department
 22 or under this chapter.
 23 (2) The officers charged with the custody of such
 24 reports and returns shall not be required to produce any of
 25 them or evidence of anything contained in them in any action

1 or proceeding in any court, except in any action or
 2 proceeding to which the department is a party under the
 3 provisions of this chapter or any other taxing act or on
 4 behalf of any party to any action or proceedings under the
 5 provisions of this chapter or such other act when the
 6 reports or facts shown thereby are directly involved in such
 7 action or proceedings, in either of which events the court
 8 may require the production of and may admit in evidence so
 9 much of said reports or of the facts shown thereby as are
 10 pertinent to the action or proceedings and no more.
 11 (3) Nothing herein shall be construed to prohibit:
 12 (a) the delivery to a taxpayer or his duly authorized
 13 representative of a certified copy of any return or report
 14 filed in connection with his tax;
 15 (b) the publication of statistics so classified as to
 16 prevent the identification of particular reports or returns
 17 and the items thereof; or
 18 (c) the publication or other dissemination of income
 19 figures and other statistics relating to income from
 20 machines licensed under Title 23, chapter 5, part 6, in a
 21 manner that does not allow or help a person to identify a
 22 particular machine or to otherwise match a particular
 23 machine with a particular income or statistic; or
 24 (d) the inspection by the attorney general or other
 25 legal representative of the state of the report or return of

1 any taxpayer who shall bring action to set aside or review
 2 the tax based thereon or against whom an action or
 3 proceeding has been instituted in accordance with the
 4 provisions of 15-30-311 and 15-30-322.

5 (4) Reports and returns shall be preserved for 3 years
 6 and thereafter until the department orders them to be
 7 destroyed.

8 (5) Any offense against subsections (1) through (4) of
 9 this section shall be punished by a fine not exceeding
 10 \$1,000 or by imprisonment in the county jail not exceeding 1
 11 year, or both, at the discretion of the court, and if the
 12 offender be an officer or employee of the state, he shall be
 13 dismissed from office and be incapable of holding any public
 14 office in this state for a period of 1 year thereafter.

15 (6) Notwithstanding the provisions of this section,
 16 the department may permit the commissioner of internal
 17 revenue of the United States or the proper officer of any
 18 state imposing a tax upon the incomes of individuals or the
 19 authorized representative of either such officer to inspect
 20 the return of income of any individual or may furnish to
 21 such officer or his authorized representative an abstract of
 22 the return of income of any individual or supply him with
 23 information concerning any item of income contained in any
 24 return or disclosed by the report of any investigation of
 25 the income or return of income of any individual, but such

1 permission shall be granted or such information furnished to
 2 such officer or his representative only if the statutes of
 3 the United States or of such other state, as the case may
 4 be, grant substantially similar privileges to the proper
 5 officer of this state charged with the administration of
 6 this chapter.

7 (7) Further, notwithstanding any of the provisions of
 8 this section, the department shall furnish:

9 (a) to the department of justice all information
 10 necessary to identify those persons qualifying for the
 11 additional exemption for blindness pursuant to 15-30-112(4),
 12 for the purpose of enabling the department of justice to
 13 administer the provisions of 61-5-105; and

14 (b) to the department of social and rehabilitation
 15 services information acquired under 15-30-301, pertaining to
 16 an applicant for public assistance, reasonably necessary for
 17 the prevention and detection of public assistance fraud and
 18 abuse, provided notice to the applicant has been given."

19 Section 2. Section 23-5-607, MCA, is amended to read:
 20 "23-5-607. Expected payback -- verification. The
 21 department shall prescribe the expected payback value of one
 22 credit played to be at least 80% of the value of a credit.
 23 Each machine must have an electronic accounting device that
 24 the department may use to verify the winning percentage.
 25 The department may not publish or otherwise disseminate

1 income figures and other statistics obtained in the payback
2 verification process or contained in payback verification
3 reports in a manner that allows or helps a person to
4 identify a particular machine or to match a particular
5 machine with a particular income or statistic."

6 NEW SECTION. Section 3. Extension of authority. Any
7 existing authority of the department of revenue to make
8 rules on the subject of the provisions of this act is
9 extended to the provisions of this act.

-End-

APPROVED BY COMM. ON
BUSINESS AND LABOR

HOUSE BILL NO. 476

INTRODUCED BY GOULD, DRISCOLL, HALLIGAN, PISTORIA,
JONES, ADDY, C. SMITH, WALKER, HARP, B. WILLIAMS,
BENGTSON, IVERSON, THAYER, GILBERT, PAVLOVICH

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR
CONFIDENTIALITY OF VIDEO DRAW POKER MACHINE INCOME AND
PAYBACK VERIFICATION STATISTICS; AND AMENDING SECTIONS
15-30-303 AND SECTION 23-5-607, MCA."

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

Section 15-30-303, MCA, is amended to read:

~~15-30-303. Confidentiality of tax records. (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 chapter or any other
information secured in the administration of this chapter.
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
or under this chapter.

~~(2) The officers charged with the custody of such~~

~~reports and returns shall 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 to which the department is a party under the
provisions of this chapter or any other taxing act or on
behalf of any party to any action or proceedings under the
provisions of this chapter 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.~~

~~(3) Nothing herein shall be construed to prohibit:~~

~~(a) 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;~~

~~(b) the publication of statistics so classified as to
prevent the identification of particular reports or returns
and the items thereof; or~~

~~(c) the publication or other dissemination of income
figures and other statistics relating to income from
machines licensed under Title 23, chapter 5, part 6, in a
manner that does not allow or help a person to identify a
particular machine or to otherwise match a particular
machine with a particular income or statistic; or~~



1 ~~{c}{d}~~--the inspection by the attorney general or other
 2 legal representative of the state of the report or return of
 3 any taxpayer who shall bring action to set aside or review
 4 the tax based thereon or against whom an action or
 5 proceeding has been instituted in accordance with the
 6 provisions of 15-30-311 and 15-30-322.

7 ~~{4}~~--Reports and returns shall be preserved for 3 years
 8 and thereafter until the department orders them to be
 9 destroyed.

10 ~~{5}~~--Any offense against subsections (1) through (4) of
 11 this section shall be punished by a fine not exceeding
 12 \$1,000 or by imprisonment in the county jail not exceeding 1
 13 year, or both, at the discretion of the court, and if the
 14 offender be an officer or employee of the state, he shall be
 15 dismissed from office and be incapable of holding any public
 16 office in this state for a period of 1 year thereafter.

17 ~~{6}~~--Notwithstanding the provisions of this section,
 18 the department may permit the commissioner of internal
 19 revenue of the United States or the proper officer of any
 20 state imposing a tax upon the incomes of individuals or the
 21 authorized representative of either such officer to inspect
 22 the return of income of any individual or may furnish to
 23 such officer or his authorized representative an abstract of
 24 the return of income of any individual or supply him with
 25 information concerning any item of income contained in any

1 return or disclosed by the report of any investigation of
 2 the income or return of income of any individual, but such
 3 permission shall be granted or such information furnished to
 4 such officer or his representative only if the statutes of
 5 the United States or of such other state, as the case may
 6 be, grant substantially similar privileges to the proper
 7 officer of this state charged with the administration of
 8 this chapter.

9 ~~{7}~~--Further, notwithstanding any of the provisions of
 10 this section, the department shall furnish:

11 ~~{a}~~--to the department of justice all information
 12 necessary to identify those persons qualifying for the
 13 additional exemption for blindness pursuant to 15-30-112(4),
 14 for the purpose of enabling the department of justice to
 15 administer the provisions of 61-5-105, and

16 ~~{b}~~--to the department of social and rehabilitation
 17 services information acquired under 15-30-301, pertaining to
 18 an applicant for public assistance, reasonably necessary for
 19 the prevention and detection of public assistance fraud and
 20 abuse, provided notice to the applicant has been given."

21 Section 1. Section 23-5-607, MCA, is amended to read:
 22 "23-5-607. Expected payback -- verification. The
 23 department shall prescribe the expected payback value of one
 24 credit played to be at least 80% of the value of a credit.
 25 Each machine must have an electronic accounting device that

1 the department may use to verify the winning percentage.
2 The department may not publish or otherwise disseminate
3 income figures and other statistics obtained in the payback
4 verification process or contained in payback verification
5 reports in a manner that allows or helps a person to
6 identify a particular machine or to match a particular
7 machine with a particular income or statistic."

8 NEW SECTION. Section 2. Extension of authority. Any
9 existing authority of the department of revenue to make
10 rules on the subject of the provisions of this act is
11 extended to the provisions of this act.

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 of income or any particulars set forth or disclosed in any
 report or return required under this chapter or any other
 information secured in the administration of this chapter.
 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
 or under this chapter.

(2) The officers charged with the custody of such

reports and returns shall 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 to which the department is a party under the
 provisions of this chapter or any other taxing act or on
 behalf of any party to any action or proceedings under the
 provisions of this chapter 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.

(3) Nothing herein shall be construed to prohibit:

(a) 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;

(b) the publication of statistics so classified as to
 prevent the identification of particular reports or returns
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(c) the publication or other dissemination of income
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1 (c)(d) the inspection by the attorney general or other
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 6 provisions of 15-30-311 and 15-30-322.

7 (4) Reports and returns shall be preserved for 3 years
 8 and thereafter until the department orders them to be
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10 (5) Any offense against subsections (1) through (4) of
 11 this section shall be punished by a fine not exceeding
 12 \$1,000 or by imprisonment in the county jail not exceeding 1
 13 year, or both, at the discretion of the court, and if the
 14 offender be an officer or employee of the state, he shall be
 15 dismissed from office and be incapable of holding any public
 16 office in this state for a period of 1 year thereafter.

17 (6) Notwithstanding the provisions of this section,
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 21 authorized representative of either such officer to inspect
 22 the return of income of any individual or may furnish to
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