
ASSEMBLY BILL NO. 47—COMMITTEE ON TAXATION

(ON BEHALF OF THE DEPARTMENT OF TAXATION)

PREFILED NOVEMBER 17, 2016

Referred to Committee on Taxation

SUMMARY—Requires the Department of Taxation to develop and operate a system for matching data for the collection of delinquent taxes and fees administered by the Department. (BDR 32-249)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; requiring the Department of Taxation to enter into agreements with certain financial institutions doing business in this State to develop and operate a system for matching data to collect delinquent taxes and fees administered by the Department; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill requires the Department of Taxation to enter into agreements with
2 financial institutions doing business in this State to develop and operate a system
3 for matching data to collect delinquent or deficient taxes and fees administered by
4 the Department, including any interest and penalties owed. This bill requires
5 financial institutions in this State to provide to the Department information on
6 persons who maintain accounts at the financial institution and who are identified by
7 the Department as owing outstanding taxes and fees. Additionally, this bill requires
8 the financial institutions to encumber certain assets of those persons held by the
9 financial institution and surrender those assets to the Department to satisfy amounts
10 owed by such persons to the Department.



* A B 4 7 *

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Department shall enter into agreements with financial institutions doing business in this State to coordinate the development and operation of a system for matching data, using automated exchanges of data to the maximum extent feasible.

2. In addition to any other remedy provided for by law, the Department may use the system for matching data developed and operated pursuant to subsection 1 to collect any delinquent or deficient tax or fee administered by the Department, plus any applicable interest and penalties.

3. A financial institution in this State shall:

(a) Cooperate with the Department in carrying out the provisions of subsection 1.

(b) Use the system to provide to the Department for each calendar quarter the name, address of record, social security number or other number assigned for taxpayer identification of each person who maintains an account at the financial institution, as identified by the Department by name and social security number or other number assigned for taxpayer identification.

(c) In response to the receipt from the Department of notification that a person is delinquent or deficient in the payment of a tax or fee administered by the Department, encumber on behalf of the Department a portion of the assets of the person held by the financial institution sufficient to cover the delinquent or deficient amount and surrender those assets to the Department. A financial institution is not required to encumber or surrender any assets received by the financial institution on behalf of the person after the financial institution received the notice of the delinquency or deficiency from the Department.

4. A financial institution may not be held liable in any civil or criminal action for:

(a) Any disclosure of information to the Department pursuant to this section.

(b) Encumbering or surrendering any assets held by the financial institution pursuant to this section.

(c) Any other action taken in good faith to comply with the requirements of this section.

5. If a court issues an order to return to a person any assets surrendered by a financial institution pursuant to subsection 3, the Department is not liable to the person for any of those assets that



1 *have been provided to the Department in accordance with the*
2 *order for the payment of a delinquency or deficiency.*

3 *6. All information provided to the Department by a financial*
4 *institution pursuant to this section is confidential and may only be*
5 *used by the Department for use in the collection of delinquent or*
6 *deficient taxes or fees administered by the Department, including*
7 *any applicable interest and penalties.*

8 *7. As used in this section, "financial institution" has the*
9 *meaning ascribed to it in NRS 239A.030.*

10 **Sec. 2.** NRS 239.010 is hereby amended to read as follows:

11 239.010 1. Except as otherwise provided in this section and
12 NRS 1.4683, 1.4687, 1A.110, 41.071, 49.095, 62D.420, 62D.440,
13 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320,
14 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246,
15 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355,
16 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730,
17 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260,
18 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370,
19 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161,
20 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817,
21 130.312, 130.712, 136.050, 159.044, 172.075, 172.245, 176.015,
22 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715,
23 178.5691, 179.495, 179A.070, 179A.165, 179A.450, 179D.160,
24 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651,
25 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040,
26 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350,
27 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270,
28 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300,
29 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140,
30 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020,
31 241.030, 241.039, 242.105, 244.264, 244.335, 250.087, 250.130,
32 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195,
33 281A.350, 281A.440, 281A.550, 284.4068, 286.110, 287.0438,
34 289.025, 289.080, 289.387, 289.830, 293.5002, 293.503, 293.558,
35 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335,
36 338.070, 338.1379, 338.16925, 338.1725, 338.1727, 348.420,
37 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100,
38 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610,
39 365.138, 366.160, 368A.180, 372A.080, 378.290, 378.300, 379.008,
40 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259,
41 388.501, 388.503, 388.513, 388.750, 391.035, 392.029, 392.147,
42 392.264, 392.271, 392.850, 394.167, 394.1698, 394.447, 394.460,
43 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885,
44 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749,
45 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872,



1 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430,
2 432B.560, 433.534, 433A.360, 439.840, 439B.420, 440.170,
3 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665,
4 445B.570, 449.209, 449.245, 449.720, 450.140, 453.164, 453.720,
5 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866,
6 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240,
7 463.3403, 463.3407, 463.790, 467.1005, 480.365, 481.063, 482.170,
8 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070,
9 485.316, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655,
10 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070,
11 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315,
12 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110,
13 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230,
14 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336,
15 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301,
16 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085,
17 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075,
18 640A.220, 640B.730, 640C.400, 640C.745, 640C.760, 640D.190,
19 640E.340, 641.090, 641A.191, 641B.170, 641C.760, 642.524,
20 643.189, 644.446, 645.180, 645.625, 645A.050, 645A.082,
21 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135,
22 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945,
23 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110,
24 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310,
25 671.170, 673.430, 675.380, 676A.340, 676A.370, 677.243,
26 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690,
27 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873,
28 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115,
29 687C.010, 688C.230, 688C.480, 688C.490, 692A.117, 692C.190,
30 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615,
31 696B.550, 703.196, 704B.320, 704B.325, 706.1725, 706A.230,
32 710.159, 711.600, *and section 1 of this act*, sections 35, 38 and 41
33 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter
34 391, Statutes of Nevada 2013 and unless otherwise declared by law
35 to be confidential, all public books and public records of a
36 governmental entity must be open at all times during office hours to
37 inspection by any person, and may be fully copied or an abstract or
38 memorandum may be prepared from those public books and public
39 records. Any such copies, abstracts or memoranda may be used to
40 supply the general public with copies, abstracts or memoranda of the
41 records or may be used in any other way to the advantage of the
42 governmental entity or of the general public. This section does not
43 supersede or in any manner affect the federal laws governing
44 copyrights or enlarge, diminish or affect in any other manner the



1 rights of a person in any written book or record which is
2 copyrighted pursuant to federal law.

3 2. A governmental entity may not reject a book or record
4 which is copyrighted solely because it is copyrighted.

5 3. A governmental entity that has legal custody or control of a
6 public book or record shall not deny a request made pursuant to
7 subsection 1 to inspect or copy or receive a copy of a public book or
8 record on the basis that the requested public book or record contains
9 information that is confidential if the governmental entity can
10 redact, delete, conceal or separate the confidential information from
11 the information included in the public book or record that is not
12 otherwise confidential.

13 4. A person may request a copy of a public record in any
14 medium in which the public record is readily available. An officer,
15 employee or agent of a governmental entity who has legal custody
16 or control of a public record:

17 (a) Shall not refuse to provide a copy of that public record in a
18 readily available medium because the officer, employee or agent has
19 already prepared or would prefer to provide the copy in a different
20 medium.

21 (b) Except as otherwise provided in NRS 239.030, shall, upon
22 request, prepare the copy of the public record and shall not require
23 the person who has requested the copy to prepare the copy himself
24 or herself.

25 **Sec. 3.** NRS 239A.070 is hereby amended to read as follows:

26 239A.070 This chapter does not apply to any subpoena issued
27 pursuant to title 14 or chapters 616A to 617, inclusive, of NRS or
28 prohibit:

29 1. Dissemination of any financial information which is not
30 identified with or identifiable as being derived from the financial
31 records of a particular customer.

32 2. The Attorney General, State Controller, district attorney,
33 Department of Taxation, Director of the Department of Health and
34 Human Services, Administrator of the Securities Division of the
35 Office of the Secretary of State, public administrator, sheriff or a
36 police department from requesting of a financial institution, and the
37 institution from responding to the request, as to whether a person
38 has an account or accounts with that financial institution and, if so,
39 any identifying numbers of the account or accounts.

40 3. A financial institution, in its discretion, from initiating
41 contact with and thereafter communicating with and disclosing the
42 financial records of a customer to appropriate governmental
43 agencies concerning a suspected violation of any law.

44 4. Disclosure of the financial records of a customer incidental
45 to a transaction in the normal course of business of the financial



1 institution if the director, officer, employee or agent of the financial
2 institution who makes or authorizes the disclosure has no reasonable
3 cause to believe that such records will be used by a governmental
4 agency in connection with an investigation of the customer.

5 5. A financial institution from notifying a customer of the
6 receipt of a subpoena or a search warrant to obtain the customer's
7 financial records, except when ordered by a court to withhold such
8 notification.

9 6. The examination by or disclosure to any governmental
10 regulatory agency of financial records which relate solely to the
11 exercise of its regulatory function if the agency is specifically
12 authorized by law to examine, audit or require reports of financial
13 records of financial institutions.

14 7. The disclosure to any governmental agency of any financial
15 information or records whose disclosure to that particular agency is
16 required by the tax laws of this State.

17 8. The disclosure of any information pursuant to NRS
18 353C.240, 425.393, 425.400 or 425.460 ~~H~~ *or section 1 of this act.*

19 9. A governmental agency from obtaining a credit report or
20 consumer credit report from anyone other than a financial
21 institution.

22 **Sec. 4.** This act becomes effective:

23 1. Upon passage and approval for the purposes of adopting any
24 regulations and performing any other preparatory administrative
25 tasks that are necessary to carry out the provisions of this act; and

26 2. On July 1, 2017, for all other purposes.

