

State of Arkansas  
93rd General Assembly  
Regular Session, 2021

As Engrossed: H3/18/21

# A Bill

HOUSE BILL 1034

By: Representatives Beaty Jr., Jett

## For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING RECORDS MAINTAINED BY THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO AMEND THE ARKANSAS TAX PROCEDURE ACT CONCERNING EXCEPTIONS TO THE PROHIBITION AGAINST THE DISCLOSURE OF TAXPAYER INFORMATION; TO DESIGNATE THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION AS THE OFFICIAL CUSTODIAN OF RECORDS FOR THE OFFICE OF MOTOR VEHICLE AND THE OFFICE OF DRIVER SERVICES; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE EXCEPTIONS TO THE PROHIBITION AGAINST THE DISCLOSURE OF TAXPAYER INFORMATION; AND TO DESIGNATE THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION AS THE OFFICIAL CUSTODIAN OF CERTAIN RECORDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 26-18-303(b)(3), concerning exceptions to the prohibition against disclosure of tax records of the Secretary of the Department of Finance and Administration, is amended to read as follows:

(3)(A) Disclosure of information to the Attorney General of this state, any prosecuting attorney, or any other individual who is empowered by law to prosecute criminal and civil violations of any state tax law ~~when the Secretary of the Department of Finance and Administration initiates the~~



investigation.

~~(B) If the prosecution is initiated by the Attorney General or a prosecuting attorney, the Secretary of the Department of Finance and Administration shall not disclose any information unless required by subpoena issued by a circuit court.~~

~~(C) Information disclosed under subdivision (b)(3)(A) of this section~~ may be introduced as evidence by the Attorney General, a prosecuting attorney, or other individual so empowered when the individual is prosecuting any civil or criminal violation of state tax law;

SECTION 2. Arkansas Code § 26-18-303(b)(4), concerning exceptions to the prohibition against disclosure of tax records of the Secretary of the Department of Finance and Administration, is amended to read as follows:

(4)(A) Disclosure of information compelled by any a judge in an Arkansas circuit court, the Supreme Court, or the Court of Appeals, or by any federal court, of information involved in any case or controversy before that court

(B) Disclosure of information under subdivision (b)(4)(A) of this section is limited to the disclosure of information in a case or controversy before the judge compelling the disclosure of the information;

SECTION 3. Arkansas Code § 26-18-303(b)(8), concerning exceptions to the prohibition against disclosure of tax records of the Secretary of the Department of Finance and Administration, is amended to read as follows:

(8) Disclosure of information other than income tax information at an administrative hearing held regarding the issuance, cancellation, revocation, or suspension of licenses or permits issued by the Secretary of the Department of Finance and Administration or any other state agency or department under the Arkansas Tax Procedure Act, § 26-18-101 et seq., or in a judicial proceeding in which the Secretary of the Department of Finance and Administration is a party;

SECTION 4. Arkansas Code § 26-18-303(b)(20)(A), concerning exceptions to the prohibition against disclosure of tax records of the Secretary of the Department of Finance and Administration, is amended to read as follows:

(20)(A) To perform audit and compliance duties, disclosure to

the Division of Workforce Services of: ~~withholding~~

(i) Withholding tax information reported by companies doing business in Arkansas, including without limitation taxpayer names, taxpayer addresses, tax identification numbers, and tax withholding information; or

(ii) Information for the purpose of providing pandemic unemployment assistance to a worker who:

(a) Is self-employed;

(b) Is seeking part-time employment;

(c) Does not have sufficient work history; or

(d) Is otherwise unable to qualify for regular unemployment or extended benefits under state or federal law.

SECTION 5. Arkansas Code § 26-18-303(b), concerning exceptions to the prohibition against disclosure of tax records of the Secretary of the Department of Finance and Administration, is amended to add an additional subdivision to read as follows:

(26) Disclosure of information for the purpose of tax collection in state and federal insolvency, reorganization, corporate dissolution, and other similar proceedings in which the secretary is an interested party.

SECTION 6. Arkansas Code § 27-14-412, concerning records of the Office of Motor Vehicle under the Motor Vehicle Administration, Certificate of Title, and Antitheft Act, is amended to add an additional subsection to read as follows:

(e) The secretary is the official custodian of records of the office.

SECTION 7. Arkansas Code § 27-16-402 is amended to read as follows:  
27-16-402. Creation.

(a) There is established within the Department of Finance and Administration a separate office to be known as the "Office of Driver Services" which shall, acting under the direction and supervision of the ~~Commissioner of Motor Vehicles~~ Secretary of the Department of Finance and Administration, administer the provisions of this chapter and the other laws of this state regarding the licensing of motor vehicle drivers and the laws relating to the suspension and revocation of their licenses.

(b) The ~~commissioner~~ secretary shall, upon approval of the Governor, appoint a director of the office, and the director shall, acting under the supervision of the ~~commissioner~~ secretary, serve as the principal administrative officer of the office.

(c) The secretary is the official custodian of records of the office.

*/s/Jett*

**APPROVED: 4/15/21**