House Engrossed

FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

CHAPTER 18

HOUSE BILL 2088

AN ACT

AMENDING SECTIONS 41-1092.02, 41-1517, 42-2002, 42-2003 AND 44-315, ARIZONA REVISED STATUTES; RELATING TO CONFIDENTIAL TAX INFORMATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 41-1092.02, Arizona Revised Statutes, is amended to read:

41-1092.02. Appealable agency actions; application of procedural rules; exemption from article

A. This article applies to all contested cases as defined in section 41-1001 and all appealable agency actions, except contested cases with or appealable agency actions of:

1. The state department of corrections.

2. The board of executive clemency.

3. The industrial commission of Arizona.

4. The Arizona corporation commission.

5. The Arizona board of regents and institutions under its jurisdiction.

6. The state personnel board.

7. The department of juvenile corrections.

8. The department of transportation.

9. The department of economic security except as provided in sections 8-506.01 and 8-811.

10. The department of revenue regarding:

(a) Income tax, withholding tax or estate tax. ~~or~~

(b) Any tax issue related to information associated with the reporting of income tax, withholding tax or estate tax UNLESS THE TAXPAYER REQUESTS IN WRITING THAT THIS ARTICLE APPLY AND WAIVES CONFIDENTIALITY UNDER TITLE 42, CHAPTER 2, ARTICLE 1.

11. The board of tax appeals.

12. The state board of equalization.

13. The state board of education, but only in connection with contested cases and appealable agency actions related to applications for issuance or renewal of a certificate and discipline of certificate holders pursuant to sections 15-203, 15-534, 15-534.01, 15-535, 15-545 and 15-550.

14. The board of fingerprinting.

B. Unless waived by all parties, an administrative law judge shall conduct all hearings under this article, and the procedural rules set forth in this article and rules made by the director apply.

C. Except as provided in subsection A of this section:

1. A contested case heard by the office of administrative hearings regarding taxes administered under title 42 shall be subject to the provisions under section 42-1251.

2. A final decision of the office of administrative hearings regarding taxes administered under title 42 may be appealed by either party to the director of the department of revenue, or a taxpayer may file and appeal directly to the board of tax appeals pursuant to section 42-1253.

D. Except as provided in subsections A, B, E, F and G of this section and notwithstanding any other administrative proceeding or judicial review

process established in statute or administrative rule, this article applies to all appealable agency actions and to all contested cases.

E. Except for a contested case or an appealable agency action regarding unclaimed property, sections 41-1092.03, 41-1092.08 and 41-1092.09 do not apply to the department of revenue.

F. The board of appeals established by section 37-213 is exempt from:

1. The time frames for hearings and decisions provided in section 41-1092.05, subsection A, section 41-1092.08 and section 41-1092.09.

2. The requirement in section 41-1092.06, subsection A to hold an informal settlement conference at the appellant's request if the sole subject of an appeal pursuant to section 37-215 is the estimate of value reported in an appraisal of lands or improvements.

G. Auction protest procedures pursuant to title 37, chapter 2, article 4.1 are exempt from this article.

Sec. 2. Section 41-1517, Arizona Revised Statutes, is amended to read:

41-1517. <u>Motion picture production tax incentives; duties; definitions</u>

A. From and after December 31, 2005 through December 31, 2010, the department of commerce shall qualify motion picture production companies that produce one or more motion pictures in this state for motion picture production tax incentives, subject to the following requirements and conditions:

1. A motion picture production company must incur production costs in this state of at least two hundred fifty thousand dollars during each twelve month period for which it is qualified for the tax incentives.

2. For the purpose of this section, production costs are limited to and subject to the following conditions:

(a) Salaries and other compensation for talent, management and labor paid to residents of this state, as defined by section 43-104.

(b) A story and scenario to be used for a motion picture.

(c) Set construction and operations, wardrobe, props, accessories and related services in this state. Expenses paid for construction contracts are limited to contractors who are licensed under title 32, chapter 10.

(d) Photography, sound synchronization, lighting and related costs incurred in this state.

(e) Editing and related services performed in this state.

(f) Rental of facilities and equipment in this state.

(g) Catered food, drink and condiment purchased in this state.

(h) Other direct in-state costs of producing the motion picture, pursuant to rules adopted by the department of revenue that follow generally accepted accounting standards for the motion picture industry.

(i) Payments for penalties and fines do not qualify as production costs.

3. A motion picture production company must employ residents of this state in its production activities as follows:

(a) In 2006, at least twenty-five per cent of full-time employees working in this state must be residents of this state.

(b) In 2007, at least thirty-five per cent of full-time employees working in this state must be residents of this state.

(c) In 2008 and every subsequent taxable year thereafter, at least fifty per cent of full-time employees working in this state must be residents of this state.

4. A motion picture production company must submit a completed application pursuant to subsection B or G of this section. An application is complete on receipt of all requested information.

5. A motion picture production company must include in the credits for each motion picture, other than a commercial advertisement, an acknowledgement that the production was filmed in Arizona.

B. A motion picture production company initially applying for qualification under this section must report the following to the department of commerce on a form and in a manner prescribed by the department, with the cooperation of the department of revenue:

1. The name, address, telephone number and web site of the motion picture production company.

2. The name and address of an individual who will maintain records of expenditures in this state.

3. The projected first preproduction date and last production date in this state.

4. The production office address and office telephone number in this state.

5. The estimated total budget of the production.

6. The estimated total expenditures in this state.

7. The estimated total percentage of the production taking place in this state.

8. The estimated level of employment of residents of this state in the cast and crew.

9. A script, including a synopsis, the proposed director and a preliminary list of the cast and producer.

10. A signed affirmation from the applicant that:

(a) The motion picture production company agrees to furnish records of expenditures in this state to the department of revenue on request.

(b) Any items purchased with a certification issued under section 42-5009, subsection H are intended for use by the applicant directly in motion picture production.

C. The department of commerce shall review all applications within thirty days after submission pursuant to subsection B or G of this section to determine whether the motion picture production company satisfies all of the criteria provided in subsection A of this section and shall establish the process by which the department qualifies and preapproves a company for motion picture production tax incentives. This process shall preapprove a

company for motion picture production tax incentives based on priority placement established by the date that such motion picture production company filed its initial application for qualification with the department.

D. The department shall not preapprove income tax credits exceeding a total of:

1. Thirty million dollars in 2006.
2. Forty million dollars in 2007.
3. Fifty million dollars in 2008.
4. Sixty million dollars in 2009.
5. From and after December 31, 2009, seventy million dollars in a single year.
6. Five million dollars for an individual motion picture.

E. The department of commerce shall deny an application submitted pursuant to subsection B or G of this section if it determines that:

1. The motion picture production company does not meet all of the established criteria provided in subsection A of this section.
2. The production would constitute an obscene motion picture film or obscene pictorial publication under title 12, chapter 7, article 1.1.
3. The production depicts sexual activity as defined in title 13, chapter 35.
4. The production would constitute sexual exploitation of a minor or commercial sexual exploitation of a minor under title 13, chapter 35.1.

F. On a determination by the department of commerce that a motion picture production company qualifies for motion picture production tax incentives, the department shall issue the company a written letter of qualification and transmit a copy of the letter to the department of revenue. A letter of qualification is effective for twelve consecutive months as stated in the letter.

G. A motion picture production company that applies for requalification must continue to meet all of the eligibility criteria provided under subsection A of this section and must provide the department of commerce with updated information on the location, ownership and operations of the business. For purposes of efficiency and reducing duplicative or redundant reporting duties, the department may establish a streamlined process for requalification.

H. Upon completion of the motion picture production, a motion picture production company that qualifies for the motion picture tax incentives shall certify to the department the total amount of eligible production costs associated with the project incurred from and after December 31, 2005. From and after June 30, 2006, the department shall provide approval to a motion picture production company that it has met the eligibility requirements of this section and shall notify the department of revenue that a motion picture production company may claim the tax credits pursuant to sections 43-1075 and 43-1163.

I. The department of commerce, with the cooperation of the department of revenue, shall adopt rules and publish and prescribe forms and procedures as necessary to effectuate the purposes of this section.

J. Any information gathered from motion picture production companies for the purposes of this section shall be considered confidential taxpayer information and shall be disclosed only as provided in section 42-2003, subsection B, paragraph ~~11~~ 12.

K. The department of commerce shall:

1. Keep annual records of the information provided on applications for motion picture production tax incentives. These records shall reflect a percentage comparison of the annual amount of monies exempted or credited to qualifying motion picture production companies to the estimated amount of monies spent on in-state production costs by motion picture production companies.

2. Maintain annual data on growth in Arizona-based motion picture industry companies and motion picture industry employment and wages.

3. Not later than December 1 of each year, prepare and publish a report summarizing the information collected pursuant to this subsection. The department shall make copies of the annual report available to the public on request.

L. For the purposes of this section:

1. "Motion picture" means a single medium or multimedia program, including a commercial advertising message, that:

(a) Is created by production activities conducted in whole or in part in this state.

(b) Can be viewed or reproduced.

(c) Is intended for commercial distribution or licensing in the delivery medium used.

2. "Motion picture production company" means any person primarily engaged in the business of producing motion pictures and that has a physical business office and bank account in this state.

3. "Motion picture production tax incentives" means the tax deductions for transaction privilege and use taxes listed in section 42-5009, subsection H and the credit against income taxes provided under section 43-1075 or 43-1163.

Sec. 3. Section 42-2002, Arizona Revised Statutes, is amended to read:

42-2002. <u>Disclosure of confidential information prohibited</u>

A. A person, including a former employee or agent of the department or the office of administrative hearings or a person previously having an administrative duty for the department or the office of administrative hearings, who has received confidential information while an employee or agent of the department or the office of administrative hearings, while performing an administrative duty for the department or the office of administrative hearings, ~~or pursuant to an exception under section 42-2003,~~

~~subsection B or H~~ shall not disclose that information except as provided in this article.

B. A PERSON WHO HAS RECEIVED CONFIDENTIAL INFORMATION PURSUANT TO AN EXCEPTION UNDER SECTION 42-2003, SUBSECTION B OR H SHALL NOT DISCLOSE THAT INFORMATION EXCEPT AS PROVIDED IN THIS ARTICLE.

~~B.~~ C. Confidential information may not be disclosed relating to applications for cannabis or controlled substance tax licenses or payments under prior law.

~~C.~~ D. Confidential information shall not be disclosed if the department determines that disclosure would seriously impair any civil or criminal tax investigation or if the disclosure would be contrary to section 6103(d), 6103(p)(8) or 7213 of the internal revenue code.

Sec. 4. Section 42-2003, Arizona Revised Statutes, is amended to read:

42-2003. Authorized disclosure of confidential information

A. Confidential information relating to:

1. A taxpayer may be disclosed to the taxpayer, its successor in interest or a designee of the taxpayer who is authorized in writing by the taxpayer. A principal corporate officer of a parent corporation may execute a written authorization for a controlled subsidiary.

2. A corporate taxpayer may be disclosed to any principal officer, any person designated by a principal officer or any person designated in a resolution by the corporate board of directors or other similar governing body.

3. A partnership may be disclosed to any partner of the partnership. This exception does not include disclosure of confidential information of a particular partner unless otherwise authorized.

4. An estate may be disclosed to the personal representative of the estate and to any heir, next of kin or beneficiary under the will of the decedent if the department finds that the heir, next of kin or beneficiary has a material interest which will be affected by the confidential information.

5. A trust may be disclosed to the trustee or trustees, jointly or separately, and to the grantor or any beneficiary of the trust if the department finds that the grantor or beneficiary has a material interest which will be affected by the confidential information.

6. Any taxpayer may be disclosed if the taxpayer has waived any rights to confidentiality either in writing or on the record in any administrative or judicial proceeding.

7. The name and taxpayer identification numbers of persons issued direct payment permits may be publicly disclosed.

B. Confidential information may be disclosed to:

1. Any employee of the department whose official duties involve tax administration.

2. The office of the attorney general solely for its use in preparation for, or in an investigation which may result in, any proceeding

involving tax administration before the department or any other agency or board of this state, or before any grand jury or any state or federal court.

3. The department of liquor licenses and control for its use in determining whether a spirituous liquor licensee has paid all transaction privilege taxes and affiliated excise taxes incurred as a result of the sale of spirituous liquor, AS DEFINED IN SECTION 4-101, at the licensed establishment and imposed on the licensed establishments by this state and its political subdivisions.

4. Other state tax officials whose official duties require the disclosure for proper tax administration purposes if the information is sought in connection with an investigation or any other proceeding conducted by the official. Any disclosure is limited to information of a taxpayer who is being investigated or who is a party to a proceeding conducted by the official.

5. The following agencies, officials and organizations, if they grant substantially similar privileges to the department for the type of information being sought, pursuant to statute and a written agreement between the department and the foreign country, agency, state, Indian tribe or organization:

(a) The United States internal revenue service, alcohol and tobacco tax and trade bureau of the United States treasury, United States bureau of alcohol, tobacco, firearms and explosives of the United States department of justice, United States drug enforcement agency and federal bureau of investigation.

(b) A state tax official of another state.

(c) An organization of states, FEDERATION OF TAX ADMINISTRATORS OR MULTISTATE TAX COMMISSION that operates an information exchange for tax administration purposes.

(d) An agency, official or organization of a foreign country with responsibilities that are comparable to those listed in subdivision (a), (b) or (c) of this paragraph.

(e) An agency, official or organization of an Indian tribal government with responsibilities comparable to the responsibilities of the agencies, officials or organizations identified in subdivision (a), (b) or (c) of this paragraph.

6. The auditor general, in connection with any audit of the department subject to the restrictions in section 42-2002, subsection ~~C~~ D.

7. Any person to the extent necessary for effective tax administration in connection with:

(a) The processing, storage, transmission, destruction and reproduction of the information.

(b) The programming, maintenance, repair, testing and procurement of equipment for purposes of tax administration.

8. The office of administrative hearings relating to taxes administered by the department pursuant to section 42-1101, but the department shall not disclose any confidential information:

(a) Regarding income tax, withholding tax or estate tax.

(b) On any tax issue relating to information associated with the reporting of income tax, withholding tax or estate tax.

9. The United States treasury inspector general for tax administration for the purpose of reporting a violation of internal revenue code section 7213A (26 United States Code section 7213A), unauthorized inspection of returns or return information.

10. The financial management service of the United States treasury department for use in the treasury offset program.

11. THE UNITED STATES TREASURY DEPARTMENT OR ITS AUTHORIZED AGENT FOR USE IN THE STATE INCOME TAX LEVY PROGRAM AND IN THE ELECTRONIC FEDERAL TAX PAYMENT SYSTEM.

~~11.~~ 12. The department of commerce for its use in both:

(a) Qualifying motion picture production companies for the tax incentives provided for motion picture production under chapter 5 of this title and sections 43-1075 and 43-1163.

(b) Fulfilling its annual reporting responsibility pursuant to section 41-1517, subsection ~~J~~ K.

C. Confidential information may be disclosed in any state or federal judicial or administrative proceeding pertaining to tax administration PURSUANT TO THE FOLLOWING CONDITIONS:

1. ONE OR MORE OF THE FOLLOWING CIRCUMSTANCES MUST APPLY:

(a) ~~If~~ The taxpayer is a party to the proceeding.

(b) THE PROCEEDING AROSE OUT OF, OR IN CONNECTION WITH, DETERMINING THE TAXPAYER'S CIVIL OR CRIMINAL LIABILITY, OR THE COLLECTION OF THE TAXPAYER'S CIVIL LIABILITY, WITH RESPECT TO ANY TAX IMPOSED UNDER THIS TITLE OR TITLE 43.

(c) THE TREATMENT OF AN ITEM REFLECTED ON THE TAXPAYER'S RETURN IS DIRECTLY RELATED TO THE RESOLUTION OF AN ISSUE IN THE PROCEEDING.

(d) RETURN INFORMATION DIRECTLY RELATES TO A TRANSACTIONAL RELATIONSHIP BETWEEN A PERSON WHO IS A PARTY TO THE PROCEEDING AND THE TAXPAYER AND DIRECTLY AFFECTS THE RESOLUTION OF AN ISSUE IN THE PROCEEDING.

2. CONFIDENTIAL INFORMATION MAY NOT BE DISCLOSED UNDER THIS SUBSECTION IF THE DISCLOSURE IS PROHIBITED BY SECTION 42-2002, SUBSECTION C OR D.

D. Identity information may be disclosed for purposes of notifying persons entitled to tax refunds if the department is unable to locate the persons after reasonable effort.

E. The department, upon the request of any person, shall provide the names and addresses of bingo licensees as defined in section 5-401 or verify whether or not a person has a privilege license and number, A DISTRIBUTOR'S LICENSE AND NUMBER or A withholding license and number.

F. A department employee, in connection with the official duties relating to any audit, collection activity or civil or criminal investigation, may disclose return information to the extent that disclosure is necessary to obtain information which is not otherwise reasonably available. These official duties include the correct determination of and liability for tax, the amount to be collected or the enforcement of other state tax revenue laws.

G. If an organization is exempt from this state's income tax as provided in section 43-1201 for any taxable year, the name and address of the organization and the application filed by the organization upon which the department made its determination for exemption together with any papers submitted in support of the application and any letter or document issued by the department concerning the application are open to public inspection.

H. Confidential information relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy tax may be disclosed to any county, city or town tax official if the information relates to a taxpayer who is or may be taxable by the county, city or town. Any taxpayer information released by the department to the county, city or town:

1. May only be used for internal purposes.

2. May not be disclosed to the public in any manner that does not comply with confidentiality standards established by the department. The county, city or town shall agree in writing with the department that any release of confidential information that violates the confidentiality standards adopted by the department will result in the immediate suspension of any rights of the county, city or town to receive taxpayer information under this subsection.

I. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to any one taxpayer. In order to comply with the requirements of section 42-5029, subsection A, paragraph 3, the department may disclose to the state treasurer statistical information gathered from confidential information, even if it discloses confidential information attributable to a taxpayer.

J. The department may disclose the aggregate amounts of any tax credit, tax deduction or tax exemption enacted after January 1, 1994. Information subject to disclosure under this subsection shall not be disclosed if a taxpayer demonstrates to the department that such information would give an unfair advantage to competitors.

K. Except as provided in section 42-2002, subsection ~~B~~ C, confidential information, described in section 42-2001, paragraph 2, subdivision (a), item (iii), may be disclosed to law enforcement agencies for law enforcement purposes.

L. The department may provide transaction privilege tax license information to property tax officials in a county for the purpose of identification and verification of the tax status of commercial property.

M. The department may provide transaction privilege tax, luxury tax, use tax, property tax and severance tax information to the ombudsman-citizens aide pursuant to title 41, chapter 8, article 5.

N. Except as provided in section 42-2002, subsection ~~C~~ D, a court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only upon a showing of good cause and that the party seeking the information has made demand upon the taxpayer for the information.

O. This section does not prohibit the disclosure by the department of any information or documents submitted to the department by a bingo licensee. Before disclosing the information the department shall obtain the name and address of the person requesting the information.

P. If the department is required or permitted to disclose confidential information, it may charge the person or agency requesting the information for the reasonable cost of its services.

Q. Except as provided in section 42-2002, subsection ~~C~~ D, the department of revenue shall release confidential information as requested by the department of economic security pursuant to section 42-1122 or 46-291. Information disclosed under this subsection is limited to the same type of information that the United States internal revenue service is authorized to disclose under section 6103(l)(6) of the internal revenue code.

R. Except as provided in section 42-2002, subsection ~~C~~ D, the department of revenue shall release confidential information as requested by the courts and clerks of the court pursuant to section 42-1122.

S. To comply with the requirements of section 42-5031, the department may disclose to the state treasurer, to the county stadium district board of directors and to any city or town tax official that is part of the county stadium district confidential information attributable to a taxpayer's business activity conducted in the county stadium district.

T. The department shall release confidential information as requested by the attorney general for purposes of determining compliance with and enforcing section 44-7101, the master settlement agreement referred to therein and subsequent agreements to which the state is a party that amend or implement the master settlement agreement. Information disclosed under this subsection is limited to luxury tax information relating to tobacco manufacturers, distributors, wholesalers and retailers and information collected by the department pursuant to section 44-7101(2)(j).

U. For proceedings before the department, the office of administrative hearings, the board of tax appeals or any state or federal court involving penalties that were assessed against a return preparer or electronic return preparer pursuant to section 42-1103.02 or 42-1125.01, confidential information may be disclosed only before the judge or administrative law

judge adjudicating the proceeding, the parties to the proceeding and the parties' representatives in the proceeding prior to its introduction into evidence in the proceeding. The confidential information may be introduced as evidence in the proceeding only if the taxpayer's name, the names of any dependents listed on the return, all social security numbers, the taxpayer's address, the taxpayer's signature and any attachments containing any of the foregoing information are redacted and if either:

1. The treatment of an item reflected on such return is or may be related to the resolution of an issue in the proceeding.

2. Such return or return information relates or may relate to a transactional relationship between a person who is a party to the proceeding and the taxpayer which directly affects the resolution of an issue in the proceeding.

V. The department may disclose to the attorney general confidential information received under section 44-7111 and requested by the attorney general for purposes of determining compliance with and enforcing section 44-7111. The department and attorney general shall share with each other the information received under section 44-7111, and may share the information with other federal, state or local agencies only for the purposes of enforcement of section 44-7101, section 44-7111 or corresponding laws of other states.

Sec. 5. Section 44-315, Arizona Revised Statutes, is amended to read:

44-315. Confidentiality; violation; classification; definitions

A. The department may disclose confidential information relating to an item of property to the claimant OR RELATING TO REPORTS OF ABANDONED PROPERTY TO THE HOLDER, a successor in interest to the claimant or HOLDER OR a designee of the claimant OR HOLDER who is authorized in writing by the claimant OR HOLDER.

B. The department also may disclose confidential information to:

1. Any employee of the department whose official duties involve tax or unclaimed property administration.

2. The office of the attorney general for its use in providing counsel relating to unclaimed property administration or in preparation for any proceeding involving unclaimed property before the department or any other agency or board of this state or before any grand jury or any state or federal court.

3. Pursuant to a written agreement between the department and another state or an organization of states that operates an information exchange for unclaimed property administration purposes, a state unclaimed property official from the other state if the other state or organization grants substantially similar privileges to the department for the same type of information.

4. The auditor general, in connection with any audit of the department subject to the restrictions in section 42-2002, subsection ~~C~~ D.

5. Any person to the extent necessary for effective unclaimed property administration in connection with the processing, storage, transmission and reproduction of the information and the programming, maintenance, repair, testing and procurement of equipment for purposes of unclaimed property administration.

C. Except as provided in section 42-2002, subsection ~~C~~ D, the department may disclose confidential information in any state or federal judicial or administrative proceeding relating to unclaimed property administration if:

1. The claimant OR HOLDER is a party to the proceeding.

2. The treatment of an item reflected in the information is directly related to the resolution of an issue in the proceeding.

3. The information directly relates to a transactional relationship between a person who is a party to the proceeding and the claimant OR HOLDER and the information directly affects the resolution of an issue in the proceeding.

D. The department may disclose identity information for purposes of notifying persons who appear to be entitled to unclaimed property in the manner described in section 44-309.

E. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to a claimant OR HOLDER.

F. A court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only on a showing of good cause and that the party who seeks the information has demanded the information from the claimant OR HOLDER.

G. If the department is required or permitted to disclose confidential information, it may charge the person or agency that requests the information for the reasonable cost of the department's services.

H. A disclosure of confidential information in violation of this section is a class 1 misdemeanor. A knowing disclosure of confidential information in violation of this section is a class 6 felony.

I. THE PROVISIONS OF THIS SECTION APPLY TO INDEPENDENT AUDITORS HIRED BY THE DEPARTMENT TO ENFORCE THE PROVISIONS OF THIS CHAPTER AND CHAPTER 3.1 OF THIS TITLE.

J. A PERSON, INCLUDING A FORMER EMPLOYEE, AGENT OR INDEPENDENT AUDITOR OF THE DEPARTMENT OR OFFICE OF ADMINISTRATIVE HEARINGS OR A PERSON PREVIOUSLY HAVING AN ADMINISTRATIVE DUTY FOR THE DEPARTMENT OR THE OFFICE OF ADMINISTRATIVE HEARINGS, WHO HAS RECEIVED CONFIDENTIAL INFORMATION WHILE AN EMPLOYEE, AGENT OR INDEPENDENT AUDITOR OF THE DEPARTMENT OR THE OFFICE OF ADMINISTRATIVE HEARINGS, SHALL NOT DISCLOSE THAT INFORMATION EXCEPT AS PROVIDED IN THIS SECTION.

~~I.~~ K. For the purposes of this section:

1. "Claimant" means a person or entity that claims to have a property interest in the item of property that is presumed abandoned pursuant to this chapter.

2. "Confidential information" includes reports filed by holders of property presumed abandoned under this chapter, a claimant's application and documents submitted to support a claim and information discovered by the department concerning claims, and claimants, HOLDER REPORTS OR HOLDERS. "CONFIDENTIAL INFORMATION" ALSO INCLUDES INFORMATION SUPPLIED AT THE SPECIAL REQUEST OF THE DEPARTMENT WHICH THE CLAIMANT OR HOLDER REQUESTS TO BE HELD CONFIDENTIAL, WHETHER A HOLDER OR REPORT WAS, IS BEING OR WILL BE SUBJECT TO EXAMINATION, INVESTIGATION OR COLLECTION AND DATA RECEIVED BY, RECORDED BY, PREPARED BY, FURNISHED TO OR COLLECTED BY THE DEPARTMENT WITH RESPECT TO THE EXISTENCE OR POSSIBLE EXISTENCE OF A LIABILITY OF ANY HOLDER FOR UNCLAIMED PROPERTY.

APPROVED BY THE GOVERNOR MARCH 29, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 29, 2006.