

P.L. 2019, CHAPTER 367, *approved January 20, 2020*
Senate, No. 4228 (*First Reprint*)

1 AN ACT concerning tax data sharing and amending Title 54 of the
2 Revised Statutes.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. R.S.54:50-8 is amended to read as follows:

8 54:50-8. a. The records and files of the director respecting the
9 administration of the State Uniform Tax Procedure Law or of any
10 State tax law shall be considered confidential and privileged and
11 neither the director nor any employee engaged in the administration
12 thereof or charged with the custody of any such records or files, nor
13 any former officer or employee, nor any person who may have
14 secured information therefrom under subsection d., e., f., g.² [or]
15 p., or q. of R.S.54:50-9 or any other provision of State law, shall
16 divulge, disclose, use for their own personal advantage, or examine
17 for any reason other than a reason necessitated by the performance
18 of official duties any information obtained from the said records or
19 files or from any examination or inspection of the premises or
20 property of any person. Neither the director nor any employee
21 engaged in such administration or charged with the custody of any
22 such records or files shall be required to produce any of them for
23 the inspection of any person or for use in any action or proceeding
24 except when the records or files or the facts shown thereby are
25 directly involved in an action or proceeding under the provisions of
26 the State Uniform Tax Procedure Law or of the State tax law
27 affected, or where the determination of the action or proceeding will
28 affect the validity or amount of the claim of the State under some
29 State tax law, or in any lawful proceeding for the investigation and
30 prosecution of any violation of the criminal provisions of the State
31 Uniform Tax Procedure Law or of any State tax law.

32 b. The prohibitions of this section, against unauthorized
33 disclosure, use or examination by any present or former officer or
34 employee of this State or any other individual having custody of
35 such information obtained pursuant to the explicit authority of State
36 law, shall specifically include, without limitation, violations
37 involving the divulgence or examination of any information from or
38 any copy of a federal return or federal return information required
39 by New Jersey law to be attached to or included in any New Jersey
40 return. Any person violating this section by divulging, disclosing or
41 using information shall be guilty of a crime of the fourth degree.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted January 6, 2020.

1 Any person violating this section by examining records or files for
2 any reason other than a reason necessitated by the performance of
3 official duties shall be guilty of a disorderly persons offense.

4 c. Whenever records and files are used in connection with the
5 prosecution of any person for violating the provisions of this section
6 by divulging, disclosing or using records or files or examining
7 records and files for any reason other than a reason necessitated by
8 the performance of official duties, the defendant shall be given
9 access to those records and files. The court shall review such
10 records and files in camera, and that portion of the court record
11 containing the records and files shall be sealed by the court.

12 (cf: P.L.2007, c.294, s.3)

13

14 2. R.S.54:50-9 is amended to read as follows:

15 54:50-9. Nothing herein contained shall be construed to prevent:

16 a. The delivery to a taxpayer or the taxpayer's duly authorized
17 representative of a copy of any report or any other paper filed by the
18 taxpayer pursuant to the provisions of this subtitle or of any such State
19 tax law;

20 b. The publication of statistics so classified as to prevent the
21 identification of a particular report and the items thereof;

22 c. The director, in the director's discretion and subject to
23 reasonable conditions imposed by the director, from disclosing the
24 name and address of any licensee under any State tax law, unless
25 expressly prohibited by such State tax law;

26 d. The inspection by the Attorney General or other legal
27 representative of this State of the reports or files relating to the claim
28 of any taxpayer who shall bring an action to review or set aside any tax
29 imposed under any State tax law or against whom an action or
30 proceeding has been instituted in accordance with the provisions
31 thereof;

32 e. The examination of said records and files by the Comptroller,
33 State Auditor or State Commissioner of Finance, or by their respective
34 duly authorized agents;

35 f. The furnishing, at the discretion of the director, of any
36 information contained in tax reports or returns or any audit thereof or
37 the report of any investigation made with respect thereto, filed
38 pursuant to the tax laws, to the taxing officials of any other state, the
39 District of Columbia, the United States and the territories thereof,
40 providing said jurisdictions grant like privileges to this State and
41 providing such information is to be used for tax purposes only;

42 g. The furnishing, at the discretion of the director, of any material
43 information disclosed by the records or files to any law enforcing
44 authority of this State who shall be charged with the investigation or
45 prosecution of any violation of the criminal provisions of this subtitle
46 or of any State tax law;

47 h. The furnishing by the director to the State agency responsible
48 for administering the Child Support Enforcement program pursuant to

1 Title IV-D of the federal Social Security Act, Pub.L.93-647 (42 U.S.C.
2 s.651 et seq.), with the names, home addresses, social security
3 numbers and sources of income and assets of all absent parents who
4 are certified by that agency as being required to pay child support,
5 upon request by the State agency and pursuant to procedures and in a
6 form prescribed by the director;

7 i. The furnishing by the director to the Board of Public Utilities
8 any information contained in tax information statements, reports or
9 returns or any audit thereof or a report of any investigation made with
10 respect thereto, as may be necessary for the administration of
11 P.L.1991, c.184 (C.54:30A-18.6 et al.) and P.L.1997, c.162
12 (C.54:10A-5.25 et al.);

13 j. The furnishing by the director to the Director of the Division of
14 Alcoholic Beverage Control in the Department of Law and Public
15 Safety any information contained in tax information statements,
16 reports or returns or any audit thereof or a report of any investigation
17 made with respect thereto, as may be relevant, in the discretion of the
18 director, in any proceeding conducted for the issuance, suspension or
19 revocation of any license authorized pursuant to Title 33 of the
20 Revised Statutes;

21 k. The inspection by the Attorney General or other legal
22 representative of this State of the reports or files of any tobacco
23 product manufacturer, as defined in section 2 of P.L.1999, c.148
24 (C.52:4D-2), for any period in which that tobacco product
25 manufacturer was not or is not in compliance with subsection a. of
26 section 3 of P.L.1999, c.148 (C.52:4D-3), or of any licensed distributor
27 as defined in section 102 of P.L.1948, c.65 (C.54:40A-2), for the
28 purpose of facilitating the administration of the provisions of
29 P.L.1999, c.148 (C.52:4D-1 et seq.);

30 l. The furnishing, at the discretion of the director, of information
31 as to whether a contractor or subcontractor holds a valid business
32 registration as defined in section 1 of P.L.2001, c.134 (C.52:32-44);

33 m. The furnishing by the director to a State agency as defined in
34 section 1 of P.L.1995, c.158 (C.54:50-24) the names of licensees
35 subject to suspension for non-payment of State tax indebtedness
36 pursuant to P.L.2004, c.58 (C.54:50-26.1 et al.);

37 n. The release to the United States Department of the Treasury,
38 Bureau of Financial Management Service, or its successor of relevant
39 taxpayer information for purposes of implementing a reciprocal
40 collection and offset of indebtedness agreement entered into between
41 the State of New Jersey and the federal government pursuant to section
42 1 of P.L.2006, c.32 (C.54:49-12.7);

43 o. The examination of said records and files by the Commissioner
44 of Health and Senior Services, the Commissioner of Human Services,
45 the Medicaid Inspector General, or their respective duly authorized
46 agents, pursuant to section 5 of P.L.2007, c.217 (C.26:2H-18.60e),
47 section 3 of P.L.1968, c.413 (C.30:4D-3), or section 5 of P.L.2005,
48 c.156 (C.30:4J-12);

1 p. The furnishing at the discretion of the director of employer
2 provided wage and tax withholding information contained in tax
3 reports or returns filed pursuant to N.J.S.54A:7-2, 54A:7-4 and 54A:7-
4 7, to the designated municipal officer of a municipality authorized to
5 impose an employer payroll tax pursuant to the provisions of Article 5
6 (Employer Payroll Tax) of the "Local Tax Authorization Act,"
7 P.L.1970, c.326 (C.40:48C-14 et seq.), for the limited purpose of
8 verifying the payroll information reported by employers subject to the
9 employer payroll tax;

10 q. The furnishing by the director to the Commissioner of Labor
11 and Workforce Development of any information, including, but not
12 limited to, tax information statements, reports, audit files, returns, or
13 reports of any investigation for the purpose of 'labor market'
14 research'[,] or 'assisting in investigations pursuant to any 'state]
15 State' wage, benefit 'and] or' tax law as 'defined] enumerated' in
16 section 1 of P.L.2009, c.194 (C.34:1A-1.11); or pursuant to P.L.1940,
17 c.153 (C.34:2-21.1 et seq.).
18 (cf: P.L.2008, c.38, s.8)

19

20 3. This act shall take effect immediately

21

22

23

24

25 _____
Concerns tax data sharing between State Treasury and DOLWD.