




Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 586 (Substitute S-1 as reported)  
Sponsor: Senator Cameron S. Brown  
Committee: Finance

### **CONTENT**

The bill would amend the revenue Act to allow a person to disclose tax information, as provided in Section 28(1)(f) of the Act, if the disclosure were required for the proper administration of the General Property Tax Act; prohibit a person who received the information from willfully disclosing it for any purpose other than administration of the General Property Tax Act; and make it a felony to violate this prohibition.

Section 28(1)(f) prohibits a current or former employee or authorized representative of the Department of Treasury or anyone connected with the Department from divulging any facts or information obtained in connection with the administration of a tax, or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the Department for a tax it administers. Section 28(1)(f) permits a person to disclose this information if the disclosure is required for the proper administration of a tax law administered under the revenue Act or pursuant to a judicial order. The bill also would allow disclosure for the proper administration of a tax law administered under the General Property Tax Act.

The bill provides that a person who received information under Section 28(1)(f), for the proper administration of the General Property Tax Act, could not willfully disclose that information for any purpose other than the administration of that Act. A person who violated this provision would be guilty of a felony and subject to the penalty that applies to other unlawful disclosures: a fine of up to \$5,000, imprisonment up to five years, or both, together with the costs of prosecution.

MCL 205.28

Legislative Analyst: George Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on the Department of Treasury.

The bill would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many additional offenders would be convicted of willfully disclosing information subject to the felony penalty. An offender who was sentenced to prison and received the longest allowable minimum sentence of 40 months would cost the State \$83,300, assuming the average cost of incarceration is \$25,000.

Date Completed: 6-13-03

Fiscal Analyst: Bill Bowerman  
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