



State of Wisconsin
2003 - 2004 LEGISLATURE

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**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2003 ASSEMBLY BILL 473**

September 23, 2003 - Offered by COMMITTEE ON GOVERNMENT OPERATIONS AND
SPENDING LIMITATIONS.

1 **AN ACT to amend** 71.78 (2) and 139.91 (1); and **to create** 71.78 (4) (r), 73.03 (61),
2 76.30 (2) (i), 77.61 (5) (b) 12. and 139.91 (4) of the statutes; **relating to:**
3 requiring the Department of Revenue to prepare and maintain a list of
4 delinquent taxpayer accounts and to post on the Internet the names from the
5 list.

Analysis by the Legislative Reference Bureau

This substitute amendment requires the Department of Revenue (DOR) to prepare and maintain a list of delinquent taxpayer accounts in excess of \$25,000, subject to a number of exceptions, although DOR may set the threshold amount lower than \$25,000. The delinquent taxpayer accounts are accounts with tax obligations that are unpaid for more than 90 days after all appeal rights have expired. The list must contain the names, addresses, type of tax due, and amount of tax due, including interest, penalties, fees, and costs for each person on the list. The substitute amendment also requires DOR to create and maintain a site on the Internet that contains the names on the list, with the associated delinquent taxpayer information. The Internet site must contain a special page for the names on the list of the 100 persons who owe the greatest amount of delinquent taxes. DOR is required to update the Internet site on a monthly basis.

Under the substitute amendment, DOR may not post on the Internet the name of any person who has reached an agreement or compromise with DOR or the Department of Justice, and is in compliance with that agreement, regarding the payment of delinquent taxes, or the name of any person who is protected by a stay that is in effect under the Federal Bankruptcy Code. To comply with these provisions, DOR is required to update the Internet site each business day.

Currently, if any person requests information on the net Wisconsin income tax, Wisconsin franchise tax, or Wisconsin gift tax reported as paid or payable in the returns filed by any person for any individual year, DOR is required to provide the information if the requester proves his or her identity and signs a statement setting forth the person's address and reason for making the request, and indicating that he or she understands the statutes regarding the divulgement, publication, or dissemination of the requested information. Under the substitute amendment, if DOR provides such information to a requester, the department must also provide information on any amount of delinquent taxes that the person owes as listed on the Internet site created in the substitute amendment.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 71.78 (2) of the statutes is amended to read:

2 71.78 (2) DISCLOSURE OF NET TAX. The department shall make available upon
3 suitable forms prepared by the department information setting forth the net
4 Wisconsin income tax, Wisconsin franchise tax or Wisconsin gift tax reported as paid
5 or payable in the returns filed by any individual or corporation, and any amount of
6 delinquent taxes owed, as described in s. 73.03 (61), by any such individual or
7 corporation, for any individual year upon request. Before the request is granted, the
8 person desiring to obtain the information shall prove his or her identity and shall be
9 required to sign a statement setting forth the person's address and reason for making
10 the request and indicating that the person understands the provisions of this section
11 with respect to the divulgement, publication or dissemination of information
12 obtained from returns as provided in sub. (1). The use of a fictitious name is a
13 violation of this section. Within 24 hours after any information from any such tax

1 return has been so obtained, the department shall mail to the person from whose
2 return the information has been obtained a notification which shall give the name
3 and address of the person obtaining the information and the reason assigned for
4 requesting the information. The department shall collect from the person requesting
5 the information a fee of \$4 for each return.

6 **SECTION 2.** 71.78 (4) (r) of the statutes is created to read:

7 71.78 (4) (r) The secretary of revenue and employees of that department for the
8 purpose of preparing and maintaining the list of persons with unpaid tax obligations
9 as described in s. 73.03 (61) so that the list of such persons is available for public
10 inspection.

11 **SECTION 3.** 73.03 (61) of the statutes is created to read:

12 73.03 (61) To prepare and maintain a list of all persons who owe delinquent
13 taxes, including interest, penalties, fees, and costs, to the department, in excess of
14 \$25,000, which are unpaid for more than 90 days after all appeal rights have expired,
15 and to post the names of persons from this list on the Internet at a site that is created
16 and maintained by the department for this purpose. The department may prepare
17 and maintain a list of such persons who owe delinquent taxes, as described in this
18 subsection, of \$25,000 or less if the list contains all persons whose delinquency is at
19 or above the lower threshold set by the department. The Internet site shall list the
20 names, addresses, type of tax due, and amount of tax due, including interest,
21 penalties, fees, and costs for each person who has one of the delinquent taxpayer
22 accounts, and the Internet site shall also contain a special page for the persons who
23 have the 100 largest delinquent taxpayer accounts. Except as otherwise provided in
24 this subsection, the department shall update the Internet site on a monthly basis.
25 The department may not post on the Internet the name of any person who has

1 reached an agreement or compromise with the department, or the department of
2 justice, under s. 71.92 and is in compliance with that agreement, regarding the
3 payment of delinquent taxes, or the name of any person who is protected by a stay
4 that is in effect under the Federal Bankruptcy Code; and the Internet posting shall
5 be updated each business day, as defined in s. 562.01 (3m), to comply with these
6 prohibitions.

7 **SECTION 4.** 76.30 (2) (i) of the statutes is created to read:

8 76.30 (2) (i) The secretary of revenue and employees of that department for the
9 purpose of preparing and maintaining the list of persons with unpaid tax obligations
10 as described in s. 73.03 (61) so that the list of such persons is available for public
11 inspection.

12 **SECTION 5.** 77.61 (5) (b) 12. of the statutes is created to read:

13 77.61 (5) (b) 12. The secretary of revenue and employees of that department
14 for the purpose of preparing and maintaining the list of persons with unpaid tax
15 obligations as described in s. 73.03 (61) so that the list of such persons is available
16 for public inspection.

17 **SECTION 6.** 139.91 (1) of the statutes is amended to read:

18 139.91 (1) The Except as provided in sub. (4), the department may not reveal
19 facts obtained in administering this subchapter, except that the department may
20 publish statistics that do not reveal the identities of dealers.

21 **SECTION 7.** 139.91 (4) of the statutes is created to read:

22 139.91 (4) The secretary of revenue and employees of that department may
23 reveal facts obtained in administering this subchapter for the purposes of preparing
24 and maintaining the list of persons with unpaid tax obligations as described in s.
25 73.03 (61) so that the list of such persons is available for public inspection.

