

HOUSE BILL NO. 1098

Introduced by

Finance and Taxation Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact a new subsection to section 57-38-57 of the North Dakota
2 Century Code, relating to disclosure of tax return information; and to amend and reenact
3 subsection 18 of section 26.1-26-42 of the North Dakota Century Code, relating to insurance
4 producer license suspension, revocation, or refusal.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 18 of section 26.1-26-42 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 18. The applicant or licensee ~~knowingly fails to file the required returns or pay state-~~
9 ~~income tax~~ the taxes due under chapter 57-38 or comply with a court order directing
10 payment of ~~state~~ any income tax or employer income tax withholding imposed by
11 chapter 57-38.

12 **SECTION 2.** A new subsection to section 57-38-57 of the North Dakota Century Code is
13 created and enacted as follows:

14 The tax commissioner may disclose confidential tax information to the insurance
15 commissioner to be used for the sole purpose of suspending, revoking, placing on
16 probation, refusing to continue or refusing to issue an insurance producer license,
17 assessing a civil penalty, or investigating fraudulent insurance acts under the
18 insurance laws of this state. The tax information may be disclosed only upon written
19 request that provides the taxpayer's name, federal identification number, and address.
20 Upon receipt of the request, the tax commissioner may disclose whether the taxpayer
21 has complied with the requirements of this chapter. If the taxpayer has not complied
22 with these requirements, the tax commissioner may provide the tax type, the tax
23 period for which a return has not been filed, and if the taxpayer has failed to pay any
24 tax, the amount of tax, penalty, and interest owed. The information obtained under this

- 1 subsection is confidential and may be used only for the purposes identified in this
- 2 subsection.