



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB1808

by Rep. Marcus C. Evans, Jr.

SYNOPSIS AS INTRODUCED:

35 ILCS 5/917

from Ch. 120, par. 9-917

765 ILCS 1025/19.5 new

Amends the Illinois Income Tax Act. Provides that the Department of Revenue may share information with the State Treasurer for the purpose of administering the Uniform Disposition of Unclaimed Property Act. Amends the Uniform Disposition of Unclaimed Property Act. Provides that the State Treasurer shall, at least annually, notify the Department of Revenue of the names of persons appearing to be owners of abandoned property held by the State Treasurer, and that the Department of Revenue shall provide address and other information for such persons to the State Treasurer to facilitate the return of unclaimed property. Effective immediately.

LRB100 08647 HLH 18782 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 917 as follows:

6 (35 ILCS 5/917) (from Ch. 120, par. 9-917)

7 Sec. 917. Confidentiality and information sharing.

8 (a) Confidentiality. Except as provided in this Section,
9 all information received by the Department from returns filed
10 under this Act, or from any investigation conducted under the
11 provisions of this Act, shall be confidential, except for
12 official purposes within the Department or pursuant to official
13 procedures for collection of any State tax or pursuant to an
14 investigation or audit by the Illinois State Scholarship
15 Commission of a delinquent student loan or monetary award or
16 enforcement of any civil or criminal penalty or sanction
17 imposed by this Act or by another statute imposing a State tax,
18 and any person who divulges any such information in any manner,
19 except for such purposes and pursuant to order of the Director
20 or in accordance with a proper judicial order, shall be guilty
21 of a Class A misdemeanor. However, the provisions of this
22 paragraph are not applicable to information furnished to (i)
23 the Department of Healthcare and Family Services (formerly

1 Department of Public Aid), State's Attorneys, and the Attorney
2 General for child support enforcement purposes and (ii) a
3 licensed attorney representing the taxpayer where an appeal or
4 a protest has been filed on behalf of the taxpayer. If it is
5 necessary to file information obtained pursuant to this Act in
6 a child support enforcement proceeding, the information shall
7 be filed under seal.

8 (b) Public information. Nothing contained in this Act shall
9 prevent the Director from publishing or making available to the
10 public the names and addresses of persons filing returns under
11 this Act, or from publishing or making available reasonable
12 statistics concerning the operation of the tax wherein the
13 contents of returns are grouped into aggregates in such a way
14 that the information contained in any individual return shall
15 not be disclosed.

16 (c) Governmental agencies. The Director may make available
17 to the Secretary of the Treasury of the United States or his
18 delegate, or the proper officer or his delegate of any other
19 state imposing a tax upon or measured by income, for
20 exclusively official purposes, information received by the
21 Department in the administration of this Act, but such
22 permission shall be granted only if the United States or such
23 other state, as the case may be, grants the Department
24 substantially similar privileges. The Director may exchange
25 information with the Department of Healthcare and Family
26 Services and the Department of Human Services (acting as

1 successor to the Department of Public Aid under the Department
2 of Human Services Act) for the purpose of verifying sources and
3 amounts of income and for other purposes directly connected
4 with the administration of this Act, the Illinois Public Aid
5 Code, and any other health benefit program administered by the
6 State. The Director may exchange information with the Director
7 of the Department of Employment Security for the purpose of
8 verifying sources and amounts of income and for other purposes
9 directly connected with the administration of this Act and Acts
10 administered by the Department of Employment Security. The
11 Director may make available to the Illinois Workers'
12 Compensation Commission information regarding employers for
13 the purpose of verifying the insurance coverage required under
14 the Workers' Compensation Act and Workers' Occupational
15 Diseases Act. The Director may exchange information with the
16 Illinois Department on Aging for the purpose of verifying
17 sources and amounts of income for purposes directly related to
18 confirming eligibility for participation in the programs of
19 benefits authorized by the Senior Citizens and Persons with
20 Disabilities Property Tax Relief and Pharmaceutical Assistance
21 Act. The Director may exchange information with the State
22 Treasurer's Office and the Department of Employment Security
23 for the purpose of implementing, administering, and enforcing
24 the Illinois Secure Choice Savings Program Act. The Director
25 may exchange information with the State Treasurer's Office for
26 the purpose of administering the Uniform Disposition of

1 Unclaimed Property Act or successor Acts.

2 The Director may make available to any State agency,
3 including the Illinois Supreme Court, which licenses persons to
4 engage in any occupation, information that a person licensed by
5 such agency has failed to file returns under this Act or pay
6 the tax, penalty and interest shown therein, or has failed to
7 pay any final assessment of tax, penalty or interest due under
8 this Act. The Director may make available to any State agency,
9 including the Illinois Supreme Court, information regarding
10 whether a bidder, contractor, or an affiliate of a bidder or
11 contractor has failed to file returns under this Act or pay the
12 tax, penalty, and interest shown therein, or has failed to pay
13 any final assessment of tax, penalty, or interest due under
14 this Act, for the limited purpose of enforcing bidder and
15 contractor certifications. For purposes of this Section, the
16 term "affiliate" means any entity that (1) directly,
17 indirectly, or constructively controls another entity, (2) is
18 directly, indirectly, or constructively controlled by another
19 entity, or (3) is subject to the control of a common entity.
20 For purposes of this subsection (a), an entity controls another
21 entity if it owns, directly or individually, more than 10% of
22 the voting securities of that entity. As used in this
23 subsection (a), the term "voting security" means a security
24 that (1) confers upon the holder the right to vote for the
25 election of members of the board of directors or similar
26 governing body of the business or (2) is convertible into, or

1 entitles the holder to receive upon its exercise, a security
2 that confers such a right to vote. A general partnership
3 interest is a voting security.

4 The Director may make available to any State agency,
5 including the Illinois Supreme Court, units of local
6 government, and school districts, information regarding
7 whether a bidder or contractor is an affiliate of a person who
8 is not collecting and remitting Illinois Use taxes, for the
9 limited purpose of enforcing bidder and contractor
10 certifications.

11 The Director may also make available to the Secretary of
12 State information that a corporation which has been issued a
13 certificate of incorporation by the Secretary of State has
14 failed to file returns under this Act or pay the tax, penalty
15 and interest shown therein, or has failed to pay any final
16 assessment of tax, penalty or interest due under this Act. An
17 assessment is final when all proceedings in court for review of
18 such assessment have terminated or the time for the taking
19 thereof has expired without such proceedings being instituted.
20 For taxable years ending on or after December 31, 1987, the
21 Director may make available to the Director or principal
22 officer of any Department of the State of Illinois, information
23 that a person employed by such Department has failed to file
24 returns under this Act or pay the tax, penalty and interest
25 shown therein. For purposes of this paragraph, the word
26 "Department" shall have the same meaning as provided in Section

1 3 of the State Employees Group Insurance Act of 1971.

2 (d) The Director shall make available for public inspection
3 in the Department's principal office and for publication, at
4 cost, administrative decisions issued on or after January 1,
5 1995. These decisions are to be made available in a manner so
6 that the following taxpayer information is not disclosed:

7 (1) The names, addresses, and identification numbers
8 of the taxpayer, related entities, and employees.

9 (2) At the sole discretion of the Director, trade
10 secrets or other confidential information identified as
11 such by the taxpayer, no later than 30 days after receipt
12 of an administrative decision, by such means as the
13 Department shall provide by rule.

14 The Director shall determine the appropriate extent of the
15 deletions allowed in paragraph (2). In the event the taxpayer
16 does not submit deletions, the Director shall make only the
17 deletions specified in paragraph (1).

18 The Director shall make available for public inspection and
19 publication an administrative decision within 180 days after
20 the issuance of the administrative decision. The term
21 "administrative decision" has the same meaning as defined in
22 Section 3-101 of Article III of the Code of Civil Procedure.
23 Costs collected under this Section shall be paid into the Tax
24 Compliance and Administration Fund.

25 (e) Nothing contained in this Act shall prevent the
26 Director from divulging information to any person pursuant to a

1 request or authorization made by the taxpayer, by an authorized
2 representative of the taxpayer, or, in the case of information
3 related to a joint return, by the spouse filing the joint
4 return with the taxpayer.

5 (Source: P.A. 99-143, eff. 7-27-15; 99-571, eff. 7-15-16.)

6 Section 10. The Uniform Disposition of Unclaimed Property
7 Act is amended by adding Section 19.5 as follows:

8 (765 ILCS 1025/19.5 new)

9 Sec. 19.5. Tax return identification of apparent owners of
10 abandoned property.

11 (a) At least annually the State Treasurer shall notify the
12 Department of Revenue of the names of persons appearing to be
13 owners of abandoned property held by the State Treasurer. The
14 State Treasurer shall also provide to the Department of Revenue
15 the social security numbers of such persons, if available.

16 (b) The Department of Revenue shall notify the State
17 Treasurer if any person under subsection (a) has filed an
18 Illinois income tax return and shall provide the State
19 Treasurer with the last known address of the person as it
20 appears in Department of Revenue records. The Department of
21 Revenue may also provide additional addresses for the same
22 taxpayer from the records of the Department.

23 (c) In order to facilitate the return of property under
24 this subsection, the State Treasurer and the Department of

1 Revenue may enter into an interagency agreement concerning
2 protection of confidential information, data match rules, and
3 other issues.

4 (d) Except as otherwise provided under subsection (f), if
5 the value of the property that is owed the person is \$2,000 or
6 less, the person is not required to file a claim under Section
7 19 and the State Treasurer shall deliver the property or pay
8 the amount owing to the person as provided under Section 20.

9 (e) Except as otherwise provided under subsection (f), if
10 the value of the property that is owed the person is greater
11 than \$2,000, the State Treasurer shall provide notice to the
12 person informing the person that he or she is the owner of
13 abandoned or unclaimed property held by the state and may file
14 a claim with the State Treasurer for return of the property.

15 (f) The State Treasurer may by rule change the \$2,000
16 threshold in subsections (d) and (e).

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.