

Proposed 2013 Session Legislation

Agency Name & No: Revenue - 5801

Priority Number: 6 Filename: 5801\07-006

Short Title: Married Filing Separate Disclosure Solution

Agency Contact Person/Phone: CA Daw/444-1763

1. Purpose:

To address the overly harsh disclosure issues for married filing separate on the same form (sep-same) statutory provisions.

2. Background:

Montana's law regarding filing separately on the same form permits spouses to file separate returns on a single form. However, the confidentiality provisions make no exception from strict liability for unlawful disclosure to permit either spouse to manage communication with the department for both spouses when this filing option is elected. Under current law a written authorization must be obtained before revealing confidential information to a spouse. If written authorization is not obtained the employee is in violation of the state's disclosure laws. This proposal would change the statute to define sep-same returns to be a consolidated return thereby eliminating the disclosure issue for spouses.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

[Empty shaded area for fiscal impact details]

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only       Federal Requirement       Audit Recommendation (Audit No. [ ])       Major Legislation
- Anticipated to be Controversial Legislation       Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number: [ ]       Local Government Fiscal Impact
- Increases FTE, or       Decreases FTE by      List FTE amount and program [ ]
- Increases Existing Revenue       Tax       Fee       Penalty [amount in #3]
- Decreases Existing Revenue       Tax       Fee       Penalty [amount in #3]
- Establishes New Revenue       Tax       Fee       Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no): [ ]
- Legislation would affect other state agencies (list): [ ]
- Special Interest Groups Affected (list): CPAs and other tax professionals
- Other: [ ]