
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 974 Session of
2013

INTRODUCED BY STACK, JUNE 11, 2013

REFERRED TO FINANCE, JUNE 11, 2013

AN ACT

1 Authorizing the Commonwealth and its political subdivisions to
2 utilize a data-matching system for purposes of identifying
3 and seizing the financial assets of delinquent taxpayers and
4 debtors; imposing duties on the Department of Revenue; and
5 providing for civil and criminal immunity under certain
6 circumstances.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Data Match
11 for Government Tax Collection Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall
14 have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "Department." The Department of Revenue of the Commonwealth.

17 "Financial institution." The term shall have the same
18 meaning given to it under 23 Pa.C.S. § 4304.1 (relating to
19 cooperation of government and nongovernment agencies).

20 "Local taxing authority." An agency of a political

1 subdivision of the Commonwealth or a school district of the
2 Commonwealth authorized by law to collect taxes on behalf of the
3 political subdivision or school district.

4 "Obligor." A person whose property is subject to a tax lien
5 in favor of a political subdivision or school district.

6 "Revenue authority." The Department of Revenue of the
7 Commonwealth or a local taxing authority.

8 Section 3. Financial institution data match system for
9 government tax collection purposes.

10 (a) Duties of department.--

11 (1) The department shall develop and operate a process
12 for data matching with financial institutions in
13 substantially the same form as that provided for under 23
14 Pa.C.S. § 4304.1 (relating to cooperation of government and
15 nongovernment agencies), for the purpose of identifying and
16 seizing the nonexempt assets of obligors as identified by the
17 department and local taxing authorities.

18 (2) The department may designate a third party to
19 develop and operate the process, provided that any third
20 party must keep all information it obtains from both the
21 department and the financial institution confidential and any
22 employee, agent or representative of the third party shall be
23 prohibited from disclosing that information to anyone other
24 than the department or the financial institution.

25 (3) The department or its designee shall act as the
26 central clearinghouse for data-match requests from local
27 taxing authorities, shall forward all such requests to
28 financial institutions on behalf of local taxing authorities
29 and shall transmit the results of such data-match operations
30 to the requesting local taxing authority.

1 (4) The department, by regulation:

2 (i) Shall specify an electronic data format
3 compatible with that used for enforcement of support
4 obligations under 23 Pa.C.S. § 4304.1, and require local
5 taxing authorities to submit data-match requests in such
6 format.

7 (ii) Shall coordinate the submission of data-match
8 requests with the Department of Public Welfare of the
9 Commonwealth, except that the department and the
10 Department of Public Welfare may issue joint regulations
11 on the coordination of data-match requests to financial
12 institutions.

13 (iii) May specify reasonable procedures local taxing
14 authorities shall follow in submitting data-match
15 requests to the department for forwarding to financial
16 institutions.

17 (iv) May set reasonable fees for processing the
18 data-match requests of local taxing authorities, in
19 addition to any fee or portion thereof under subsection
20 (d).

21 (b) Duties of financial institutions.--A financial
22 institution doing business in this Commonwealth:

23 (1) Shall, at the request of the department, perform
24 data matches using the system developed or used to administer
25 the child support enforcement provisions of 23 Pa.C.S. §
26 4304.1, to facilitate the identification and seizure of
27 nonexempt financial assets of obligors.

28 (2) Shall provide identifying information each calendar
29 quarter to the department for each obligor maintaining an
30 account at the institution identified by the revenue

1 authority. The identifying information shall include the
2 obligor's name, address and social security number or other
3 taxpayer identification number, all account numbers and
4 balances in each account.

5 (c) Agreements authorized.--

6 (1) Notwithstanding any other provision of law, the
7 department and any financial institution doing business in
8 this Commonwealth may enter into agreements for the purpose
9 of carrying out the provisions of this act. The agreement may
10 specify payment of a fee by the department to the financial
11 institution to conduct the activities in accordance with
12 subsection (b), provided that the fee may not exceed actual
13 and reasonable costs incurred by the financial institution.

14 (2) A political subdivision shall be liable to the
15 department for the portion of any fees attributable to the
16 data-match requests of its local taxing authority.

17 (d) Construction.--Nothing in this act shall be construed to
18 require a financial institution to notify an obligor of a
19 request for information by the department under this section.

20 Section 4. Immunity.

21 Immunity from civil and criminal liability under this act is
22 as follows:

23 (1) A person, government agency or financial institution
24 that provides information pursuant to this act shall not be
25 subject to civil or criminal liability for doing so.

26 (2) The department, a local taxing authority, a court or
27 an authorized employee of such an entity that requests
28 information under this section or orders the seizure,
29 encumbrance or surrender of an asset held by a financial
30 institution shall not be subject to any civil or criminal

1 liability for doing so.

2 (3) (i) A financial institution shall not be subject to
3 civil or criminal liability for encumbering or
4 surrendering assets of an obligor as required by this
5 section.

6 (ii) The immunity provided by subparagraph (i) shall
7 not apply to a person or agent of a government agency or
8 financial institution that knowingly supplies false
9 information under this section.

10 Section 5. Penalties and enforcement.

11 (a) General rule.--Following notice and hearing, the
12 department may impose a civil penalty of up to \$1,000 per
13 violation on a financial institution that willfully fails to
14 comply with a request by the department for information under
15 this act.

16 (b) Confidentiality of information.--

17 (1) Any information provided or collected pursuant to
18 this section shall be confidential and may be used by the
19 department, the courts or local taxing authorities solely for
20 purposes of identifying and locating the assets of obligors
21 for the purpose of collecting delinquent taxes.

22 (2) Any person, government agency, employer or agent of
23 the department or a political subdivision who knowingly
24 requests, obtains or divulges such information in violation
25 of this section commits a misdemeanor of the third degree
26 and, upon conviction, shall be sentenced to pay a fine of up
27 to \$1,000 per violation and costs and shall be subject to a
28 term of imprisonment of not more than one year, or both.

29 Section 6. Effective date.

30 This act shall take effect in 60 days.