

CHAPTER 270B

TAX DATA, CLASSIFICATION AND DISCLOSURE

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270B.01 DEFINITIONS.

Subdivision 1. **Words, terms, and phrases.** The definitions in this section apply to this chapter.

Subd. 2. **Return.** "Return" means a tax or information return, declaration of estimated tax, or claim for refund under Minnesota tax laws that is filed with the commissioner. "Return" includes any amendment or supplement to those documents, including supporting schedules, attachments, or lists that are supplemental to, or part of, the return. "Return" also includes any report, application, or other form required to be filed with the commissioner under Minnesota tax laws.

Subd. 3. **Return information.** "Return information" means a taxpayer's identity, the nature, source, or amount of the taxpayer's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, overassessments, or tax payments, whether the taxpayer's return was, is being, or will be examined or subject to other investigation or processing, or any other data, received by, recorded by, prepared by, given to, or collected by the commissioner with respect to the determination of the existence, possible existence, or amount of liability of any person under Minnesota tax laws for any tax, penalty, interest, fine, forfeiture, or other imposition, or offense. "Return information" includes the failure to file any return required to be filed with the commissioner under Minnesota tax laws. The term does not include data in a form that cannot be associated with, or otherwise identify, directly or indirectly, a particular taxpayer.

Subd. 4. **Tax administration.** "Tax administration" means:

(1) the administration, management, conduct, direction, and supervision of the execution and application of Minnesota tax laws; and

(2) the development and formulation of state tax policy relating to the existing or proposed tax laws and related statutes.

"Tax administration" includes assessment, collection, enforcement, litigation, publication, and statistical gathering functions under existing or proposed tax laws and related statutes.

Subd. 5. **Taxpayer identity.** "Taxpayer identity" means the name of a person with respect to whom a return is filed, or the person's mailing address, or the person's taxpayer identifying number. "Taxpayer identity" does not include the state taxpayer identifying number of a business entity, which is classified as public data.

Subd. 6. **Inspected; inspection.** "Inspected" and "inspection" mean any examination of a return or return information.

Subd. 7. **Disclosure.** "Disclosure" means the making known to any person in any manner whatever a return or return information.

Subd. 8. **Minnesota tax laws.** For purposes of this chapter only, unless expressly stated otherwise, "Minnesota tax laws" means:

(1) the taxes, refunds, and fees administered by or paid to the commissioner under chapters 115B, 289A (except taxes imposed under sections 298.01, 298.015, and 298.24), 290, 290A, 291, 295, 297A, 297B, 297H, and 403, or any similar Indian tribal tax administered by the commissioner pursuant to any tax agreement between the state and the Indian tribal government, and includes any laws for the assessment, collection, and enforcement of those taxes, refunds, and fees; and

(2) section 273.1315.

Subd. 9. **Commissioner.** "Commissioner" means the commissioner of revenue.

Subd. 10. **Person.** "Person" includes individuals, fiduciaries, estates, trusts, partnerships, and corporations.

Subd. 11. **Taxpayer.** "Taxpayer" means a person required to file, or who files, a return with the commissioner under Minnesota tax laws.

Subd. 12. **Department of Revenue data.** "Department of Revenue data" means data regarding tax administration collected, created, or maintained by the Department of Revenue.

History: 1989 c 184 art 1 s 1; 1992 c 511 art 7 s 9; 1993 c 345 art 13 s 2; 1993 c 375 art 17 s 10; 1994 c 510 art 3 s 3; 1997 c 231 art 13 s 1; 1Sp1997 c 3 s 30; 1998 c 371 s 12; 2002 c 377 art 12 s 5; 2004 c 228 art 1 s 45; 2004 c 290 s 33; 2005 c 163 s 79; 2007 c 129 s 51; 2013 c 143 art 7 s 1; art 13 s 5; 2014 c 308 art 4 s 7

270B.02 CLASSIFICATION OF DATA.

Subdivision 1. **General rule.** Except as otherwise provided in this chapter, returns and return information are private data on individuals or nonpublic data as defined in section 13.02, subdivisions 9 and 12. Except as authorized by this chapter, the Department of Revenue, the commissioner, an officer or employee or former officer or employee of the Department of Revenue, a person engaged or retained by the department on an independent contract basis, or a person who, under sections 270B.05 to 270B.15, is permitted to inspect returns or return information may not disclose returns or return information.

Subd. 2. **Protected nonpublic data.** The following are protected nonpublic data as defined in section 13.02, subdivision 13:

- (1) criteria for determining which computer processed returns are selected for audit;
- (2) criteria for determining which returns are selected for an in-depth audit;

(3) criteria for determining which accounts receivable balances below a stated amount are written off or canceled; and

(4) criteria or information used in determining which alleged criminal violations of any law administered by the commissioner are selected for criminal investigation.

Subd. 3. Confidential data on individuals; protected nonpublic data. (a) Except as provided in paragraph (b), the name or existence of an informer, informer letters, and other data, in whatever form, given to the Department of Revenue by a person, other than the data subject, who informs that a specific person is not or may not be in compliance with tax laws, or nontax laws administered by the Department of Revenue, including laws not listed in section 270B.01, subdivision 8, are confidential data on individuals or protected nonpublic data as defined in section 13.02, subdivisions 3 and 13. This paragraph does not apply to laws relating to property taxes.

(b) Data under paragraph (a) may be disclosed with the consent of the informer or upon a written finding by a court that the information provided by the informer was false and that there is evidence that the information was provided in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure.

Subd. 4. Public data. Information required to be filed by exempt individuals, corporations, organizations, estates, and trusts under section 290.05, subdivisions 1 and 4, or that relates to exempt status under section 290.05, subdivision 2, is public data on individuals or public data not on individuals, as defined in section 13.02, subdivisions 14 and 15. The commissioner may publish a list of organizations exempt from taxation under section 290.05, except that the name or address of any contributor to any organization that is or was exempt, or that has applied for tax exempt status, or any other information that could not be disclosed under section 6104 of the Internal Revenue Code of 1986, as amended through December 31, 1988, is classified as private data on individuals or nonpublic data as defined in section 13.02, subdivisions 9 and 12.

Subd. 5. Maintaining classifications. Notwithstanding section 13.03, subdivision 7, returns and return information retain the classification designated under this chapter. Notwithstanding sections 13.03, subdivision 8, and 13.10, data classified under subdivision 3 and Department of Revenue data classified under this chapter as nonpublic data, protected nonpublic data, private data on individuals, or confidential data on individuals remain so classified.

Subd. 6. Client lists; third-party bulk filers. Client lists required under section 290.92, subdivision 30, are classified as private data on individuals or nonpublic data, as defined in section 13.02, subdivisions 9 and 12.

History: 1989 c 184 art 1 s 2; 1994 c 510 art 6 s 3,4; 1995 c 259 art 1 s 42; 1997 c 231 art 5 s 1; 1998 c 371 s 13; 1Sp2001 c 5 art 7 s 10,11; 2002 c 377 art 12 s 6,7; 2007 c 129 s 52

270B.03 DISCLOSURE TO DATA SUBJECT.

Subdivision 1. Who may inspect. Returns and return information must, on request, be made open to inspection by or disclosure to the data subject. The request must be made in writing or in accordance with written procedures of the chief disclosure officer of the department that have been approved by the commissioner to establish the identification of the person making the request as the data subject. For purposes of this chapter, the following are the data subject:

(1) in the case of an individual return, that individual;

(2) in the case of an income tax return filed jointly, either of the individuals with respect to whom the return is filed;

(3) in the case of a return filed by a business entity, an officer of a corporation, a shareholder owning more than one percent of the stock, or any shareholder of an S corporation; a general partner in a partnership; the owner of a sole proprietorship; a member or manager of a limited liability company; a participant in a joint venture; the individual who signed the return on behalf of the business entity; or an employee who is responsible for handling the tax matters of the business entity, such as the tax manager, bookkeeper, or managing agent;

(4) in the case of an estate return:

(i) the personal representative or trustee of the estate; and

(ii) any beneficiary of the estate as shown on the federal estate tax return;

(5) in the case of a trust return:

(i) the trustee or trustees, jointly or separately; and

(ii) any beneficiary of the trust as shown in the trust instrument;

(6) if liability has been assessed to a transferee under section 270C.58, subdivision 1, the transferee is the data subject with regard to the returns and return information relating to the assessed liability;

(7) in the case of an Indian tribal government or an Indian tribal government-owned entity,

(i) the chair of the tribal government, or

(ii) any person authorized by the tribal government; and

(8) in the case of a successor as defined in section 270C.57, subdivision 1, paragraph (b), the successor is the data subject and information may be disclosed as provided by section 270C.57, subdivision 4.

Subd. 2. Wards and conservatees. If an individual is legally subject to guardianship or conservatorship under sections 524.5-101 to 524.5-502, or similar laws of another state, that individual's return and return information is, upon written request, open to inspection by or disclosure to the guardian or conservator appointed for the individual or the individual's estate.

Subd. 3. Deceased individuals. Notwithstanding section 13.10, a return filed by or on behalf of a decedent is open to inspection by or disclosure to:

(1) the personal representative of the decedent's estate or trustee appointed under section 573.02, subdivision 3, or a similar law of another state; and

(2) a claimant under section 290A.18, subdivision 1.

Subd. 4. Title 11 of the United States Code and receivership proceedings. (a) A return is open to inspection by or disclosure to the trustee or receiver if:

(1) there is a trustee in a title 11 (United States Bankruptcy Code) case in which the debtor is the person with respect to whom the return is filed; or

(2) substantially all of the property of the person with respect to whom the return is filed is in the hands of a receiver.

(b) In an involuntary bankruptcy case of an individual, no disclosure may be made under paragraph (a) until the order for relief has been entered by the court having jurisdiction of the case, unless the court finds that disclosure is appropriate for purposes of determining whether an order for relief should be entered.

Subd. 5. **Attorney in fact.** Any return or return information to which this section applies is open to inspection by or disclosure to the attorney in fact duly authorized in a writing signed by the data subject or to the person or persons designated by the data subject in a request for or consent to the disclosure. The request must be made in writing or in accordance with written procedures of the chief disclosure officer of the department that have been approved by the commissioner to establish the identification of the person making the request as the data subject.

Subd. 6. **Investigative data.** For purposes of any law administered by the Department of Revenue, including laws not listed in section 270B.01, subdivision 8, investigative data collected or created by the Department of Revenue in order to prepare a case against a person, whether known or unknown, for the commission of a crime is confidential data on individuals or protected nonpublic data, as defined in section 13.02, subdivisions 3 and 13, during an investigation. When the investigation becomes inactive, as defined in section 13.82, subdivision 7, the data is private data on individuals or nonpublic data, as defined in section 13.02, subdivisions 9 and 12.

Subd. 7. **Requests.** The commissioner may prescribe a form to be completed by the data subject requesting or authorizing inspection or disclosure of returns and return information.

Subd. 8. [Repealed, 1Sp2003 c 8 art 2 s 20]

History: 1989 c 184 art 1 s 3; 1991 c 199 art 2 s 1; 1994 c 510 art 3 s 4; 1995 c 259 art 1 s 43; 1995 c 264 art 19 s 2; 1Sp1997 c 3 s 31-33; 1998 c 371 s 14; 1999 c 227 s 15,16; 1Sp2001 c 5 art 7 s 12; 2003 c 2 art 1 s 29; 2004 c 146 art 3 s 32; 2004 c 228 art 1 s 46; 2005 c 151 art 2 s 17; 2005 c 163 s 80; 2013 c 143 art 7 s 2; 2014 c 308 art 4 s 8

270B.04 STATISTICAL STUDIES.

Subdivision 1. **General rule.** The commissioner may compile statistical studies from information derived from returns and return information and may disclose the results of those studies. In addition, the commissioner may disclose statistical information from returns and return information to the governor, legislature, or another state agency to allow those governmental entities to conduct their own statistical studies.

Subd. 2. **Protection from disclosure.** Notwithstanding subdivision 1, the commissioner may not disclose the results of a study and may not disclose any statistical information if, as a result of that disclosure:

- (1) the identity of a taxpayer who filed a return would be disclosed;
- (2) the identity of a taxpayer could reasonably be associated with any of the information that was derived from the taxpayer's return; or
- (3) the ability of the commissioner to obtain information from federal tax returns would, in the commissioner's judgment, be jeopardized in any manner.

History: 1989 c 184 art 1 s 4

270B.05 DISCLOSURE IN TAX PROCEEDING.

Subdivision 1. **Judicial or administrative proceeding.** A return or return information may be disclosed in a judicial or administrative proceeding pertaining to or relating to tax administration as follows:

(1) if the taxpayer is a party to the proceeding, or the proceeding arose out of, or in connection with, a determination of the taxpayer's civil or criminal liability or the collection of the taxpayer's civil liability, with respect to a tax imposed under Minnesota tax laws;

(2) if the treatment of an item reflected on the return is directly related to the resolution of an issue in the proceeding; or

(3) if the return or return information directly relates to a transactional relationship between the taxpayer and a person who is a party to the proceeding when that relationship directly affects the resolution of an issue in the proceeding.

Subd. 2. Government legal representatives. A return or return information may be inspected by or disclosed to the attorney general or other legal representatives of the state, county, or municipality in a proceeding involving or relating to tax administration as follows:

(1) if the taxpayer is or may be a party to the proceeding, or the proceeding arose out of, or in connection with, the determination of the taxpayer's civil or criminal liability or the collection of the taxpayer's civil liability with respect to any tax imposed under Minnesota tax laws;

(2) if the treatment of an item reflected on the return is or may be related to the resolution of an issue in the proceeding; or

(3) if the return or return information relates or may relate to a transactional relationship between the taxpayer and a person who is or may be a party to the proceeding when that relationship affects or may affect the resolution of an issue in the proceeding.

History: 1989 c 184 art 1 s 5

270B.06 DISCLOSURE IN INVESTIGATION.

Subdivision 1. **Criteria for disclosure.** In connection with official duties related to tax administration, the commissioner, the attorney general, or other legal representative of the state, county, or municipality may disclose returns or return information to the extent that the disclosure is necessary in obtaining information that is not otherwise reasonably available with respect to the correct determination of tax, liability for tax, or the amount to be collected, or with respect to the enforcement of another provision of the Minnesota tax laws.

Subd. 2. **Third-party returns.** The commissioner, the attorney general, or other legal representative of the state, county, or municipality may disclose pertinent return information of a third party to a taxpayer subject to an investigation pertaining to tax administration if the treatment of an item reflected on the third-party return is or may be related to the resolution of an issue in the investigation.

Subd. 3. **Disclosure to employer.** The commissioner may disclose returns and return information of an employee to an employer for the purpose of and to the extent necessary to administer section 290.92, subdivision 5a.

History: 1989 c 184 art 1 s 6

270B.07 LICENSE CLEARANCE.

Subdivision 1. **Disclosure to licensing authorities.** The commissioner may disclose return information with respect to returns filed under Minnesota tax laws to licensing authorities of the state or political

subdivisions of the state to the extent necessary to enforce the license clearance programs under sections 60K.44, 82.74, 147.091, 148.10, 150A.08, and 270C.72.

Subd. 2. **Disclosure to court and Board of Professional Responsibility.** The commissioner may disclose return information to the Minnesota Supreme Court and the Board of Professional Responsibility regarding the amount of an uncontested delinquent tax due under the Minnesota tax law or the failure to file a tax return due under Minnesota tax laws by an attorney admitted to practice law in this state under chapter 481.

Subd. 3. **Extent of disclosure.** Data that may be disclosed under this section are limited to the name, address, amount of delinquency, and whether a return has been filed by an applicant for a license, licensee, or attorney.

Subd. 4. **Disclosure to Gambling Control Board.** The commissioner may disclose return information for the purpose of and to the extent necessary to administer section 349.155, subdivision 3.

Subd. 5. **Inquiries related to applications for liquor licenses.** The commissioner may disclose and certify to a requesting county or municipality whether or not an applicant for a license to be issued under section 340A.403, sections 340A.404 to 340A.406, or section 340A.4175 is liable for state or local taxes or assessments that were not paid when they became due. The commissioner shall not disclose or certify that the license applicant is liable for unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired.

History: 1989 c 184 art 1 s 7; 1989 c 334 art 2 s 49; 1990 c 480 art 10 s 7; 1992 c 564 art 3 s 28; 1996 c 305 art 1 s 59; 2001 c 117 art 2 s 18; 2005 c 151 art 2 s 17; 2012 c 235 s 12

270B.08 SALES TAX PERMITS.

Subdivision 1. **Permit information.** The commissioner may disclose to any person making an inquiry regarding the issuance of a sales tax permit to a specific retailer whether a permit has been issued to the retailer, the name and address of the permit holder, the business name and location, the sales and use tax account number, the date of issuance of the permit, and whether the permit has been canceled under section 297A.85.

Subd. 2. **Revocation.** When a taxpayer's sales tax permit has been revoked under section 270C.722, the commissioner may disclose data identifying the holder of the revoked permit, stating the basis for the revocation, and stating whether the permit has been reinstated.

History: 1989 c 184 art 1 s 8; 1Sp1997 c 3 s 34; 2000 c 418 art 1 s 44; 2002 c 377 art 12 s 8; 2005 c 151 art 2 s 17

270B.081 SALES TAX EXEMPTION CERTIFICATES.

The commissioner may disclose to any person making inquiry regarding the issuance of direct pay permits or certificates of exemption issued by the commissioner to a taxpayer whether the permit or certificate has been issued to the taxpayer, the business name and location, the permit or certificate number, the date of issuance of the permit or certificate, and whether the certificate is currently valid.

History: 1Sp1997 c 3 s 35

270B.085 DISCLOSURES IN COLLECTION ACTIONS.

Subdivision 1. **Seizure information.** Following the execution of a writ of entry under section 16D.08, subdivision 2, or 270C.67, the commissioner may disclose information identifying the individual or business subject to the writ, the basis for the writ, and the results of the execution, including lists of property seized.

Subd. 2. **Lien payoff information.** The commissioner may disclose the outstanding obligation secured by a lien filed under section 270C.63, subdivision 2.

Subd. 3. **Collection of nontax debt.** The commissioner may use return information for the purpose of collecting debts referred to the commissioner under chapter 16D.

Subd. 4. **Data matching program for collection of tax debts.** The commissioner may disclose the name, last known address, and Social Security number of taxpayers who owe delinquent state taxes for the purpose of administering the tax debt data matching program with financial institutions under section 13B.07.

History: 1995 c 259 art 1 s 44; 1Sp1997 c 3 s 36; 2005 c 151 art 2 s 17; 2007 c 129 s 53; 2008 c 363 art 13 s 17

270B.09 CONTRACTS WITH THE STATE OR POLITICAL SUBDIVISION; SETOFF.

The commissioner may disclose to the Department of Management and Budget or any state agency or political or governmental subdivision of the state making payment to a vendor as described in section 270C.65 or a contractor or subcontractor as described in section 270C.66 whether the vendor, contractor, or subcontractor has an uncontested delinquent tax liability owed to the commissioner and the amount of any liability. The commissioner may also disclose taxpayer identity information to the Department of Management and Budget, to the Department of Human Services, to an agency requesting verification under section 270C.65, subdivision 3, and to the University of Minnesota, solely for vendor setoff purposes.

History: 1989 c 184 art 1 s 9; 1991 c 291 art 21 s 10; 1Sp1997 c 3 s 37; 2005 c 151 art 2 s 17; 2009 c 101 art 2 s 109

270B.10 INFORMATION IN PUBLIC RECORD.

A return or return information that is a matter of public record is not subject to this chapter.

History: 1989 c 184 art 1 s 10

270B.11 DISCLOSURE TO LOCATE TAXPAYERS OWED REFUND.

To locate the named payee on state warrants issued under the Minnesota tax laws and undeliverable by the United States Postal Service, the commissioner may publish in a newspaper of general circulation in this state, or make available to radio or television stations, a list of the name and the last known address of the payee as shown on the returns filed with the commissioner. The list must not contain any additional information set forth on a return. The commissioner may exclude the names of payees whose refunds are in an amount that is less than a minimal amount to be determined by the commissioner. The publication or announcement must include instructions on how to claim the warrants.

History: 1989 c 184 art 1 s 11

270B.12 DISCLOSURE TO STATE, FEDERAL, AND COUNTY AUTHORITIES.

Subdivision 1. **IRS; state reciprocity.** Returns and return information may be open to inspection by or disclosure to the Internal Revenue Service, the Multistate Tax Commission, or to any state agency, body,

or commission, or its legal representatives, that is charged under the laws of that state with the responsibility for administration of state tax laws. Inspection or disclosure is permitted to the extent that the state agency, body, or commission gives similar rights of inspection or disclosure to officials of this state. The commissioner may enter into an agreement with the Internal Revenue Service or another state agency, body, or commission outlining procedures to implement the exchange of information under this section, but an agreement may provide for the disclosure of data only to the extent allowed under this section. Inspection or disclosure is allowed only for the purpose of and to the extent necessary for the administration of tax laws.

Subd. 2. Local units of government. Sales or use tax returns and return information are open to inspection by or disclosure to the taxing officials of any local unit of government of the state of Minnesota that has a local sales or use tax, for the purpose of and to the extent necessary for the administration of the local sales or use tax.

Subd. 3. Request form; named inspector. Inspections and disclosures permitted under subdivisions 1, 2, and 10 are allowed only upon written request in a form prescribed by the commissioner and may be made only to the representatives of the agency, body, or commission named in the written request as the individuals who are to inspect or receive the returns or return information on behalf of the agency, body, or commission.

Subd. 4. Department of Public Safety. The commissioner may disclose return information to the Department of Public Safety for the purpose of and to the extent necessary to administer sections 270C.725 and 403.16 to 403.162.

Subd. 5. Protection of returns from IRS or other states. Disclosure of returns and return information received by the commissioner from the Internal Revenue Service or another state or received by the Internal Revenue Service or another state from the commissioner is governed by the law applicable to the Internal Revenue Service or state that more stringently protects the information from disclosure.

Subd. 6. Department of Revenue employees; attorney general. Returns and return information shall be open to inspection by or disclosure to an employee or agent of the department of revenue and the attorney general only for the purpose of and to the extent necessary to administer tax laws.

Subd. 7. Lottery Division. (a) The commissioner of revenue may disclose to the lottery the amount of delinquent state taxes, or debt as defined in section 270A.03, subdivision 5, of a winner of a lottery prize of \$600 or more, to the extent necessary to administer section 349A.08, subdivision 8.

(b) The commissioner of revenue may disclose to the Lottery Division that a retailer owes \$500 or more in delinquent taxes as defined in section 270C.72, to the extent necessary to administer section 349A.06, subdivision 2.

Subd. 8. County assessors; homestead classification and renter credit. The commissioner may disclose names and Social Security numbers of individuals who have applied for both homestead classification under section 273.13 and a property tax refund as a renter under chapter 290A for the purpose of and to the extent necessary to administer section 290A.25.

Subd. 9. County assessors; homestead application, determination, and income tax status. (a) If, as a result of an audit, the commissioner determines that a person is a Minnesota nonresident or part-year resident for income tax purposes, the commissioner may disclose the person's name, address, and Social Security number to the assessor of any political subdivision in the state, when there is reason to believe that the person may have claimed or received homestead property tax benefits for a corresponding assessment year in regard to property apparently located in the assessor's jurisdiction.

(b) To the extent permitted by section 273.124, subdivision 1, paragraph (a), the Department of Revenue may verify to a county assessor whether an individual who is requesting or receiving a homestead classification has filed a Minnesota income tax return as a resident for the most recent taxable year for which the information is available.

Subd. 10. **Indian tribal governments.** Sales and use tax returns and return information are open to inspection by or disclosure to the taxing officials of any Indian tribal government in Minnesota for the purpose of and to the extent necessary for the administration of any tax agreement entered into between the state and the Indian tribal government pursuant to section 270C.19, subdivision 2. Prior to inspection or disclosure, the Indian tribal government must establish procedures for safeguarding the information.

Subd. 11. [Repealed, 1997 c 231 art 2 s 70]

Subd. 12. **Property tax deferral.** The commissioner may disclose to a county auditor and treasurer, and to their designated agents or employees, the annual deferral amounts and the cumulative deferral and interest as determined by the commissioner under chapter 290B for each parcel of homestead property in the county that is enrolled in the senior citizen property tax deferral program under chapter 290B.

Subd. 13. **County assessors; class 1b homesteads.** The commissioner may disclose to a county assessor, and to the assessor's designated agents or employees, a listing of parcels of property qualifying for the class 1b property tax classification under section 273.13, subdivision 22, and the names and addresses of qualified applicants.

Subd. 14. **Wisconsin secretary of revenue; income tax reciprocity benchmark study.** The commissioner may disclose return information to the secretary of revenue of the state of Wisconsin for the purpose of conducting a joint individual income tax reciprocity study.

History: 1989 c 184 art 1 s 12; 1989 c 334 art 3 s 17; 1990 c 426 art 2 s 7; 1992 c 511 art 2 s 6; 1993 c 351 s 32; 1993 c 375 art 11 s 1; 1994 c 510 art 3 s 5,6; 1995 c 259 art 1 s 45; 1995 c 264 art 4 s 2; art 19 s 3; 1997 c 231 art 14 s 1; 1Sp1997 c 3 s 38; 1998 c 371 s 15; 2003 c 127 art 2 s 4; 2004 c 290 s 34,35; 2005 c 151 art 2 s 17; 1Sp2011 c 7 art 1 s 1; 2013 c 143 art 13 s 6

270B.13 VENDORS HIRED FOR TAX ADMINISTRATION PURPOSES.

Subdivision 1. **Access to data.** Independent contractors and vendors performing services for the department of revenue in connection with the following activities have access to private data on individuals and nonpublic data to the extent necessary to perform that service: (1) the processing of returns and the payment of tax; (2) developing, implementing, and using computer programs or equipment; (3) microfilming returns and return information; (4) preparing tax return labels; or (5) any other authorized services connected to tax administration.

Subd. 2. **Procedures to protect information.** An independent contractor or a vendor performing services under subdivision 1 must establish procedures for safeguarding the information.

History: 1989 c 184 art 1 s 13

270B.131 DISCLOSURE OF CONTENTS OF TAX RETURNS.

Subdivision 1. **General prohibition.** No person who prepares, aids in the preparation, processes, transmits, consults with respect to or reviews a state or federal tax return for another person, corporation, partnership, association or other taxpayer shall divulge any particulars of such return, except to authorized employees of the department of revenue or of the Internal Revenue Service in the course of an examination,

without the written permission of such person, corporation, partnership, association or other taxpayer or the legally appointed representative of such taxpayer if such taxpayer is deceased, incompetent or otherwise unable to give such consent. The provisions of this subdivision shall not apply to disclosure by an employee of the department of revenue or of the Internal Revenue Service to other employees of such department or service where such disclosure is necessary for the effective administration of the tax laws of the state or the federal government.

Subd. 2. Computer services; nondisclosure exception. The provisions of this section shall not prohibit the furnishing of information by any tax return preparer to a tax return processor for the purpose of obtaining computer services in the preparation of the return.

Subd. 3. Intrafirm sharing; nondisclosure exception. The provisions of this section shall not prohibit the furnishing of information by an owner or employee of a business firm to any other owner or employee of the same business firm, whether or not such other person became an owner or employee after such information was received.

Subd. 4. Sale of tax preparation business; nonlimitation. This section shall not be construed to limit the disclosure of tax returns, records, or information to the purchaser, and the purchaser's employees, in the event of the sale of a business where such business includes the preparation of state or federal income tax returns.

Subd. 5. [Repealed, 1990 c 480 art 1 s 45]

History: 1971 c 788 s 1,2; 1973 c 66 s 1; 1973 c 582 s 3; 1986 c 444; 1991 c 291 art 21 s 13

270B.14 DISCLOSURE FOR PURPOSES OTHER THAN TAX ADMINISTRATION.

Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) At the request of the commissioner of human services, the commissioner of revenue shall electronically match the Social Security numbers and names of participants in the telephone assistance plan operated under sections 237.69 to 237.71, with those of property tax refund filers, and determine whether each participant's household income is within the eligibility standards for the telephone assistance plan.

(f) The commissioner may provide records and information collected under sections 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law 102-234. Upon the written agreement by the United States Department of Health and Human Services to maintain the confidentiality of the data, the commissioner may provide records and information collected under sections 295.50 to 295.59 to the Centers for Medicare

and Medicaid Services section of the United States Department of Health and Human Services for purposes of meeting federal reporting requirements.

(g) The commissioner may provide records and information to the commissioner of human services as necessary to administer the early refund of refundable tax credits.

(h) The commissioner may disclose information to the commissioner of human services as necessary for income verification for eligibility and premium payment under the MinnesotaCare program, under section 256L.05, subdivision 2, as well as the medical assistance program under chapter 256B.

(i) The commissioner may disclose information to the commissioner of human services necessary to verify whether applicants or recipients for the Minnesota family investment program, general assistance, food support, Minnesota supplemental aid program, and child care assistance have claimed refundable tax credits under chapter 290 and the property tax refund under chapter 290A, and the amounts of the credits.

(j) The commissioner may disclose information to the commissioner of human services necessary to verify income for purposes of calculating parental contribution amounts under section 252.27, subdivision 2a.

Subd. 2. Disclosure to Department of Employment and Economic Development. (a) Data relating to individuals are treated as follows:

(1) Return information may be disclosed to the Department of Employment and Economic Development to the extent provided in clause (2) and for the purposes provided in clause (3).

(2) The data that may be disclosed is limited to the amount of gross income earned by an individual, the total amounts of earnings from each employer, and the employer's name.

(3) Data may be requested pertaining only to individuals who have claimed benefits under sections 268.03 to 268.23 and only if the individuals are the subject of investigations based on other information available to the Department of Employment and Economic Development. Data received may be used only as set forth in section 268.19, subdivision 1, paragraph (b).

(b) Data pertaining to corporations or other employing units may be disclosed to the Department of Employment and Economic Development to the extent necessary for the proper enforcement of chapter 268.

Subd. 3. Administration of enterprise and job opportunity programs. The commissioner may disclose return information relating to the taxes imposed by chapters 290 and 297A to the Department of Employment and Economic Development or a municipality with a border city enterprise zone as defined under section 469.166, but only as necessary to administer the funding limitations under section 469.169, or to the Department of Employment and Economic Development and appropriate officials from the local government units in which a qualified business is located but only as necessary to enforce the job opportunity building zone benefits under section 469.315.

Subd. 4. Revenue recapture. (a) The commissioner may disclose return information to a claimant agency as defined in section 270A.03, subdivision 2, with respect to returns filed under chapters 290 and 290A, as limited by paragraph (b) as necessary to accomplish the intent of chapter 270A.

(b) The commissioner may disclose to the claimant agency only the name, address, Social Security number and the amount of refund of a debtor, as defined in section 270A.03, subdivision 4.

Subd. 5. Child support debtors. The commissioner may disclose returns and return information with respect to returns filed under chapter 290, to the extent necessary to accomplish the intent of section 289A.50,

subdivision 5, providing for the withholding of income tax refunds from child support debtors pursuant to court order.

Subd. 6. **Business activities report.** The commissioner may disclose information regarding the filing of a report or a return to the extent provided in and for the purpose of section 290.371.

Subd. 7. **Minnesota Racing Commission.** The commissioner may disclose return information relating to the taxes imposed by chapter 290 to the Minnesota Racing Commission with respect to an applicant or a holder of a license issued by the Minnesota Racing Commission or an owner of a horse entered in an event licensed by the Minnesota Racing Commission.

Subd. 8. **Exchange between Departments of Labor and Industry and Revenue.** The Departments of Labor and Industry and Revenue may exchange information as follows:

(1) data used in determining whether a business is an employer or a contracting agent;

(2) taxpayer identity information relating to employers and employees for purposes of supporting tax administration and chapters 176, 177, and 181; and

(3) data to the extent provided in and for the purpose set out in section 176.181, subdivision 8.

Subd. 9. **Requests for data.** Requests for data under this section must be in the form the commissioner prescribes.

Subd. 10. **Procedures to protect information.** A state agency or municipality receiving Department of Revenue data under this chapter must establish procedures for safeguarding the information.

Subd. 11. **Disclosure to commissioner of health.** (a) On the request of the commissioner of health, the commissioner may disclose return information to the extent provided in paragraph (b) and for the purposes provided in paragraph (c).

(b) Data that may be disclosed are limited to the taxpayer's identity, as defined in section 270B.01, subdivision 5.

(c) The commissioner of health may request data only for the purposes of carrying out epidemiologic investigations, which includes conducting occupational health and safety surveillance, and locating and notifying individuals exposed to health hazards as a result of employment. Requests for data by the commissioner of health must be in writing and state the purpose of the request. Data received may be used only for the purposes of section 144.0525.

Subd. 12. [Repealed, 1993 c 146 art 2 s 31]

Subd. 13. **Disclosure to Explore Minnesota Tourism.** The commissioner may disclose to Explore Minnesota Tourism the name, address, North American Industry Classification System (NAICS) code, and telephone number of a travel or tourism related business that is authorized to collect sales and use tax. The data may be used only by Explore Minnesota Tourism to survey travel or tourism related businesses.

Subd. 14. [Repealed, 2014 c 275 art 1 s 139]

Subd. 15. **Disclosure to commissioner of the Pollution Control Agency.** For purposes of administering and enforcing the Dry Cleaning and Environmental Response and Reimbursement Law of sections 115B.47 to 115B.51, the commissioner may disclose to the commissioner of the Pollution Control Agency the names

and addresses of the facilities, owners, and operators collected by the commissioner under section 115B.49, subdivision 4.

Subd. 16. **Disclosure to law enforcement authorities.** Under circumstances involving threat of death or physical injury to any individual, or harassment of a Department of Revenue employee, the commissioner may disclose return information to the extent necessary to apprise appropriate federal, state, or local law enforcement authorities of such circumstances. For purposes of this subdivision, "harassment" is purposeful conduct directed at an individual and causing an individual to feel frightened, threatened, oppressed, persecuted, or intimidated. For purposes of harassment, the return information that initially can be disclosed is limited to the name, address, and phone number of the harassing individual, the name of the employee being harassed, and the nature and circumstances of the harassment. Data disclosed under this subdivision are classified under section 13.82 once they are received by the law enforcement authority.

Subd. 17. **Disclosure to Department of Commerce.** The commissioner may disclose to the commissioner of commerce information required to administer the Uniform Disposition of Unclaimed Property Act in sections 345.31 to 345.60, including the Social Security numbers of the taxpayers whose refunds are on the report of abandoned property submitted by the commissioner to the commissioner of commerce under section 345.41. Except for data published under section 345.42, the information received that is private or nonpublic data retains its classification, and can be used by the commissioner of commerce only for the purpose of verifying that the persons claiming the refunds are the owners.

Subd. 18. **Disclosure to commissioner of veterans affairs.** (a) At the request of the commissioner of veterans affairs, the commissioner may disclose return information to the extent provided in paragraph (b) and for the purposes provided in paragraph (c).

(b) Data that may be disclosed are limited to the taxpayer's identity, as defined in section 270B.01, subdivision 5.

(c) The commissioner of veterans affairs may request data only for the purposes of locating and notifying individual veterans of health hazards, including, but not limited to, hearing loss, chemical, biological, and radiation exposure, Gulf War Syndrome, and other injuries as they become recognized as a result of their service in the armed forces of the United States and for the purpose of notifying veterans, their dependents, and survivors of veterans of potential benefits to which they may be entitled, including, but not limited to, eligibility for health care assistance for posttraumatic stress disorders and chemical dependency treatment as well as physical injuries. Requests for data by the commissioner of veterans affairs must be in writing and state the purpose of the request.

Subd. 19. **Disclosure to Department of Management and Budget.** The commissioner may disclose to the commissioner of management and budget returns or return information necessary in order to prepare a revenue forecast under section 16A.103.

Subd. 20. **Department of Natural Resources; authorized deputy registrars of motor vehicles.** The commissioner may disclose return information related to the taxes imposed by chapter 297A to the Department of Natural Resources or an authorized deputy registrar of motor vehicles only:

(1) if the commissioner has an agreement with the commissioner of natural resources under section 297A.825, subdivision 1; and

(2) to the extent necessary for the Department of Natural Resources or an authorized deputy registrar of motor vehicles, as agents for the commissioner, to verify that the applicable sales or use tax has been paid or that a sales tax exemption applies on the purchase of a snowmobile, all-terrain vehicle, or watercraft, and

to administer sections 84.82, subdivision 10; 84.922, subdivision 11; 86B.401, subdivision 12; and 297A.825, regarding either their collection of use tax or their issuance of refunds to applicants of use tax paid to them in error.

Subd. 21. **Department of Transportation.** The commissioner may disclose return information related to the taxes imposed by chapter 297A to the Department of Transportation only:

(1) if the commissioner has an agreement with the commissioner of transportation under section 297A.82, subdivision 7; and

(2) to the extent necessary for the Department of Transportation, as agent for the commissioner, to verify that the applicable sales or use tax has been paid or that a sales tax exemption applies on the lease, purchase, or sale of an aircraft by an individual or business who owns and operates the aircraft that must be registered or licensed in Minnesota under section 360.018, and to otherwise administer section 297A.82, regarding the collection of tax by the Department of Transportation.

History: 1989 c 184 art 1 s 14; 1990 c 516 s 8; 1991 c 199 art 2 s 1; 1992 c 569 s 15; 1993 c 146 art 2 s 16; 1993 c 351 s 33-35; 1993 c 375 art 17 s 11; 1994 c 483 s 1; 1994 c 510 art 4 s 8; 1995 c 38 s 1; 1995 c 259 art 1 s 46,47; 1995 c 264 art 19 s 4; 1996 c 417 s 31; 1997 c 66 s 79; 1Sp1997 c 3 s 39-41; 1999 c 227 s 17,18; 2000 c 468 s 26; 2002 c 277 s 32; 2002 c 377 art 12 s 9; 2002 c 380 art 1 s 2; 1Sp2003 c 4 s 1; 1Sp2003 c 14 art 1 s 106; 2004 c 135 s 1; 2004 c 171 s 19; 2004 c 290 s 36; 2007 c 112 s 51; 2007 c 129 s 54; 2007 c 147 art 2 s 51; 2007 c 148 art 2 s 47; 2009 c 88 art 11 s 1; 2009 c 101 art 2 s 109; 2012 c 187 art 1 s 44; 2012 c 294 art 2 s 4; 2014 c 222 art 1 s 54; 2014 c 308 art 9 s 17; 1Sp2017 c 1 art 16 s 3; art 21 s 4,5

270B.15 DISCLOSURE TO LEGISLATIVE AUDITOR AND STATE AUDITOR.

(a) Returns and return information must be disclosed to the legislative auditor to the extent necessary for the legislative auditor to carry out sections 3.97 to 3.979.

(b) The commissioner must disclose return information, including the report required under section 289A.12, subdivision 15, to the state auditor to the extent necessary to conduct audits of job opportunity building zones as required under section 469.3201.

History: 1989 c 184 art 1 s 15; 2002 c 379 art 1 s 64; 2008 c 366 art 5 s 7

270B.16 DISCOVERY OF REVENUE DATA.

Notwithstanding any law to the contrary, data collected by the Department of Revenue are not subject to discovery or subpoena in a legal action, other than an action or proceeding in connection with tax administration, unless disclosure of the data is authorized under this chapter.

History: 1989 c 184 art 1 s 16; 1Sp1997 c 3 s 42

270B.161 DATA AND INFORMATION ON MINE VALUE OF ORE.

Data collected from taxpayers and maintained by the commissioner for the purpose of determining the mine value of ore under section 298.01 are nonpublic data as defined in section 13.02, subdivision 9.

History: 1995 c 259 art 1 s 48

270B.17 REMEDIES.

The civil remedies provided in section 13.08 are available to remedy violations of any provision of this chapter.

History: *1989 c 184 art 1 s 17*

270B.18 CRIMINAL PENALTIES.

Subdivision 1. **Unauthorized willful disclosure.** A person willfully making a disclosure not authorized by this chapter is guilty of a gross misdemeanor.

Subd. 2. **Unauthorized computer data access.** In addition to the computer crimes provided in sections 609.87 to 609.89, a person who intentionally and without authority attempts to or does penetrate property or a computer program or programs, as defined in section 609.87, containing Department of Revenue data, is guilty of a gross misdemeanor.

Subd. 3. **Public employee violations.** A willful violation of this chapter by a public employee constitutes just cause for suspension without pay or dismissal of the public employee.

Subd. 4. **Unauthorized disclosure.** Any person disclosing any particulars of any tax return, without the written consent of the taxpayer making such return, in violation of the provisions of section 270B.131, is guilty of a gross misdemeanor.

History: *1989 c 184 art 1 s 18; 1990 c 480 art 1 s 27; 1993 c 326 art 4 s 7; 1993 c 375 art 9 s 16; 2000 c 418 art 1 s 44; 2005 c 151 art 2 s 17*

270B.19 RULES.

The commissioner may adopt rules necessary for the enforcement and administration of this chapter consistent with its provisions.

History: *1989 c 184 art 1 s 19*