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LAW/RWH

P.L.2013, CHAPTER 20, *approved January 25, 2013*

Assembly, No. 3027

1 AN ACT regarding State tax auditing procedures and authorizing the  
2 use of fraud prevention contractors, amending P.L.1992, c.172.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 1 of P.L.1992, c.172 (C.54:49-12.2) is amended to  
8 read as follows:

9 1. a. Notwithstanding any other provision of law, the director  
10 may enter into agreements with one or more private persons,  
11 companies, associations or corporations providing debt collection  
12 services for the purpose of collecting past due taxes, interest,  
13 additions to tax and penalties. Any such agreement shall contain  
14 provisions prohibiting the use of unfair debt collection practices by  
15 the provider of debt collection services, which provisions shall  
16 include, without limitation, restrictions upon the conduct of the  
17 provider of debt collection services substantially similar to those  
18 contained in the "Fair Debt Collection Practices Act," 15 U.S.C.  
19 s.1692 et seq.

20 b. Notwithstanding any other provision of law, the director  
21 may enter into agreements with one or more private persons,  
22 companies, associations or corporations providing fraud prevention  
23 services.

24 (cf: P.L.1992, c.172, s.1)

25  
26 2. Section 3 of P.L.1992, c.172 (C.54:49-12.4) is amended to  
27 read as follows:

28 3. The provisions of subsection a. of R.S.54:50-8  
29 notwithstanding, the director may provide such taxpayer  
30 information as is necessary for the provider of debt collection  
31 services or fraud prevention services to fulfill its obligations under  
32 the collection agreement or fraud prevention agreement, provided  
33 that such disclosure is not contrary to the provisions of subsection  
34 (a) of section **[26]** 6103 of the federal Internal Revenue Code of  
35 1986, 26 U.S.C. s.6103. Such persons, companies, associations or  
36 corporations providing debt collection services or fraud prevention  
37 services, and their employees, shall be specifically subject to the  
38 confidentiality provisions of R.S.54:50-8. The provider of debt  
39 collection services or fraud prevention services shall furnish the  
40 director with the affidavit of each of its principals and employees in  
41 which each such principal and employee shall acknowledge receipt  
42 of a copy of the confidentiality provisions of the "State Tax

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 Uniform Procedure Law", R.S.54:48-1 et seq., understanding of the  
2 obligation to maintain, and agreement to maintain, the  
3 confidentiality of taxpayer information, and awareness that  
4 violation of the confidentiality provisions is punishable by law.  
5 (cf: P.L.1992, c.172, s.3.)

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7 3. This act shall take effect immediately.

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10 STATEMENT

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12 This bill authorizes the use of contractors by the Division of  
13 Taxation in the Department of the Treasury to supply fraud  
14 prevention services for the purpose of assisting the division.

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19 \_\_\_\_\_  
20 Authorizes the use of fraud prevention contractors by the  
Division of Taxation.

# ASSEMBLY, No. 3027

## STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED JUNE 7, 2012

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**Assemblyman TIMOTHY J. EUSTACE**

**District 38 (Bergen and Passaic)**

**Assemblyman MATTHEW W. MILAM**

**District 1 (Atlantic, Cape May and Cumberland)**

**Assemblyman JAY WEBBER**

**District 26 (Essex, Morris and Passaic)**

**Co-Sponsored by:**

**Senators Pou and Oroho**

**SYNOPSIS**

Authorizes the use of fraud prevention contractors by the Division of Taxation.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/21/2012)**

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ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3027**

**STATE OF NEW JERSEY**

DATED: SEPTEMBER 24, 2012

The Assembly Appropriations Committee reports favorably on Assembly Bill No. 3027.

This bill authorizes the use of contractors by the Division of Taxation in the Department of the Treasury to supply fraud prevention services for the purpose of assisting the division.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note. The bill authorizes, but does not require, the director to contract for services. It is not possible to predict whether, or to what extent, the Director of the Division of Taxation will determine to avail the division of these services.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3027**

**STATE OF NEW JERSEY**

DATED: DECEMBER 17, 2012

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 3027.

This bill authorizes the use of contractors by the Division of Taxation in the Department of the Treasury to supply fraud prevention services for the purpose of assisting the division.

As reported, this bill is identical to Senate Bill No. 2350, as also reported by the committee.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note. The bill authorizes, but does not require, the director to contract for services. It is not possible to predict whether, or to what extent, the Director of the Division of Taxation will determine to avail the division of these services.

# SENATE, No. 2350

## STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED NOVEMBER 29, 2012

**Sponsored by:**

**Senator NELLIE POU**

**District 35 (Bergen and Passaic)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**SYNOPSIS**

Authorizes the use of fraud prevention contractors by the Division of Taxation.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 12/18/2012)

S2350 POU, OROHO

2

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**S2350 POU, OROHO**

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# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 2350**

# **STATE OF NEW JERSEY**

DATED: DECEMBER 17, 2012

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2350.

This bill authorizes the use of contractors by the Division of Taxation in the Department of the Treasury to supply fraud prevention services for the purpose of assisting the division.

As reported, this bill is identical to Assembly Bill No. 3027, as also reported by the committee.

#### FISCAL IMPACT:

This bill was not certified as requiring a fiscal note. The bill authorizes, but does not require, the director to contract for services. It is not possible to predict whether, or to what extent, the Director of the Division of Taxation will determine to avail the division of these services.