

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 218
SENATE BILL 1385

AN ACT

AMENDING SECTIONS 42-1251, 42-1253 AND 42-1254, ARIZONA REVISED STATUTES; AMENDING SECTION 42-2003, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2017, CHAPTER 96, SECTION 1, CHAPTER 258, SECTION 43 AND CHAPTER 340, SECTION 2; AMENDING SECTION 42-2003, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2017, CHAPTER 96, SECTION 1, CHAPTER 139, SECTION 4, CHAPTER 258, SECTION 43 AND CHAPTER 340, SECTION 2; AMENDING SECTION 42-2059, ARIZONA REVISED STATUTES; RELATING TO TAX APPEAL CONFIDENTIALITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-1251, Arizona Revised Statutes, is amended to
3 read:

4 42-1251. Appeal to the department; hearing

5 A. Except in the case of individual income taxes, a person from
6 whom an amount is determined to be due under article 3 of this chapter may
7 apply to the department by a petition in writing within forty-five days
8 after the notice of a proposed assessment made pursuant to section
9 42-1109, subsection B or the notice required by section 42-1108,
10 subsection B is received, or within such additional time as the department
11 may allow, for a hearing, correction or redetermination of the action
12 taken by the department. In the case of individual income taxes, the
13 period is ninety days from the date the notice is mailed. The petition
14 shall set forth the reasons why the hearing, correction or redetermination
15 should be granted and the amount in which any tax, interest and penalties
16 should be reduced. If only a portion of the deficiency assessment is
17 protested, all unprotested amounts of tax, interest and penalties must be
18 paid at the time the protest is filed. The department shall consider the
19 petition and grant a hearing, if requested. To represent the taxpayer at
20 the hearing or to appear on the taxpayer's behalf is deemed not to be the
21 practice of law.

22 B. EXCEPT IN THE CASE OF INDIVIDUAL INCOME TAXES, AT ANY TIME
23 DURING WHICH AN APPEAL TO THE DEPARTMENT UNDER SUBSECTION A OF THIS
24 SECTION IS PENDING, A PERSON THAT HAS CONFERRED WITH A DESIGNATED APPEALS
25 OFFICER OF THE DEPARTMENT TO CLARIFY ANY FACT OR LEGAL ISSUE IN DISPUTE
26 AND TO DISCUSS THE AVAILABILITY OF ADDITIONAL DOCUMENTATION THAT MAY
27 ASSIST IN RESOLVING OUTSTANDING ISSUES MAY BYPASS THE HEARING PROCESS
28 BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS AND EITHER:

29 1. APPEAL TO THE STATE BOARD OF TAX APPEALS BY FILING A NOTICE OF
30 APPEAL IN WRITING PURSUANT TO SECTION 42-1253, SUBSECTION A.

31 2. BRING AN ACTION IN TAX COURT BY FILING A NOTICE OF APPEAL IN
32 WRITING PURSUANT TO SECTION 42-1254, SUBSECTION C.

33 C. IF THE DEPARTMENT FAILS TO SCHEDULE A MEETING WITHIN FORTY-FIVE
34 DAYS OF THE TIME A PERSON FILES A WRITTEN REQUEST WITH THE DEPARTMENT TO
35 CONFER WITH A DESIGNATED APPEALS OFFICER ABOUT BYPASSING THE HEARING
36 PROCESS BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS, THE PERSON MAY
37 BYPASS THE MEETING AND APPEAL DIRECTLY TO THE BOARD OF TAX APPEALS OR
38 BRING AN ACTION IN TAX COURT.

39 ~~B.~~ D. If the taxpayer does not file a petition for hearing,
40 correction, ~~or~~ redetermination OR APPEAL within the period provided by
41 SUBSECTION A, B OR C OF this section, the amount determined to be due
42 becomes final at the expiration of the period. The taxpayer is deemed to
43 have waived and abandoned the right to question the amount determined to
44 be due, unless the taxpayer pays the total deficiency assessment,
45 including interest and penalties. The taxpayer may then file a claim for

1 refund pursuant to section 42-1118 within six months ~~of~~ AFTER payment of
2 the deficiency assessment or within the time limits prescribed by section
3 42-1106, whichever period expires later.

4 ~~E.~~ E. All orders or decisions made on the filing of a petition for
5 a hearing, correction or redetermination UNDER SUBSECTION A OF THIS
6 SECTION become final thirty days after notice has been received by the
7 petitioner, unless the petitioner appeals the order or decision to the
8 state board of tax appeals.

9 Sec. 2. Section 42-1253, Arizona Revised Statutes, is amended to
10 read:

11 42-1253. Appeal to state board of tax appeals; definition

12 A. Except ~~as provided in~~ FOR THE PROVISIONS OF SECTION 42-1251,
13 SUBSECTION B AND section 42-1254, subsection C THAT PROVIDE FOR AN OPTION
14 TO BYPASS ALL OR PART OF THE ADMINISTRATIVE APPEALS PROCESS IN CERTAIN TAX
15 DISPUTES, a person aggrieved by a final decision or order of the
16 department under section 42-1251, article 3 of this chapter or section
17 42-2065, 42-2068, 42-2069, 42-2074, 42-2201 or 42-2202 may appeal to the
18 state board of tax appeals by filing a notice of appeal in writing within
19 thirty days after the decision or order from which the appeal is taken has
20 become final.

21 B. The board shall take testimony and examine documentary evidence
22 as necessary to determine the appeal, all pursuant to administrative rules
23 to govern such appeals.

24 C. On determining the appeal the board shall issue a decision
25 consistent with its determination. The board's decision is final on the
26 expiration of thirty days from the date when notice of its action is
27 received by the taxpayer, unless either the department or the taxpayer
28 brings an action in tax court as provided in section 42-1254.

29 D. If the amount in any single dispute before the board is less
30 than twenty-five thousand dollars, a taxpayer may be represented in that
31 dispute before the board by:

32 1. A certified public accountant.

33 2. A person who is enrolled to practice before the United States
34 internal revenue service and is recognized as an enrolled agent.

35 3. Any other person who is authorized by the taxpayer under a
36 properly executed power of attorney and who was previously or is currently
37 retained by the taxpayer for purposes other than representation in a
38 hearing before the board.

39 E. If a practitioner who represents a taxpayer before the board
40 pursuant to subsection D of this section fails to comply with an order or
41 rule of the board, the board may impose sanctions including one or both of
42 the following:

43 1. Order that the stipulation of the facts proposed by the
44 department of revenue be accepted.

1 2. Suspend the practitioner from further practice before the board
2 either for a specific period of time or until the board removes the
3 suspension.

4 F. For the purposes of this section, "practitioner" means a person,
5 other than a party, who files documents with or appears before the board
6 in connection with a matter before the board.

7 Sec. 3. Section 42-1254, Arizona Revised Statutes, is amended to
8 read:

9 42-1254. Appeal to tax court

10 A. The department or a taxpayer aggrieved by a decision of the
11 state board of tax appeals may bring an action in tax court.

12 B. If the department is aggrieved by a decision of the board and
13 the amount in dispute is less than five thousand dollars, the department
14 may not bring an action in tax court unless the department determines that
15 the decision of the board involves an issue of substantial significance to
16 the state. A taxpayer aggrieved by a determination of the department that
17 an issue is of substantial significance to the state may file a motion
18 with the tax court to dismiss the action brought by the department on the
19 grounds that the determination constitutes an abuse of discretion.

20 C. Except in the case of individual income tax cases in which the
21 amount in dispute is less than five thousand dollars, a person who is
22 aggrieved by a final decision or order of the department under section
23 42-1251 or article 3 of this chapter ~~may~~, in lieu of appealing to the
24 state board of tax appeals under section 42-1253, **MAY** bring an action in
25 tax court by filing a notice of appeal in writing within thirty days after
26 the decision or order from which the appeal is taken has become final. **IN**
27 **ADDITION, AS PROVIDED BY SECTION 42-1251, SUBSECTIONS B AND C, A PERSON**
28 **MAY BYPASS ALL OR PART OF THE ADMINISTRATIVE APPEALS PROCESS IN CERTAIN**
29 **TAX DISPUTES BY BRINGING AN ACTION IN TAX COURT BY FILING A NOTICE OF**
30 **APPEAL IN WRITING WITHIN THE TIME PRESCRIBED BY SECTION 42-1251,**
31 **SUBSECTION B.**

32 D. Any appeal that is taken to tax court pursuant to this section
33 is subject to the following provisions:

34 1. ~~No~~ **AN** injunction, writ of mandamus or other legal or equitable
35 process may **NOT** issue in an action in any court in this state against an
36 officer of this state to prevent or enjoin the collection of any tax,
37 penalty or interest.

38 2. The action shall not begin more than thirty days after the order
39 or decision of the board or department becomes final. Failure to bring
40 the action within thirty days after the order or decision of the board or
41 department becomes final constitutes a waiver of the protest and a waiver
42 of all claims against this state arising from or based on the illegality
43 in the tax, penalties and interest at issue, except that within the time
44 limits set forth in section 42-1106, a taxpayer who fails to bring an
45 action within thirty days may pay the tax under protest stating the

1 grounds of objection to the legality of the tax and then file a claim for
2 refund of the taxes paid. The refund claim shall then be governed by
3 section 42-1119 and this section.

4 3. The tax court shall hear and determine the appeal as a trial de
5 novo.

6 4. Either party to such AN action may appeal to the court of
7 appeals or supreme court as provided by law.

8 5. If a final judgment is rendered in favor of the taxpayer in the
9 action, the amount or such portion of the judgment as may be necessary
10 shall first be credited to any taxes, penalties and interest due from the
11 plaintiff taxpayer, and the amount of the balance remaining due the
12 taxpayer shall be certified by the department of revenue to the department
13 of administration, with a certified copy of the final judgment and a claim
14 for refund authenticated by the department of revenue. On receipt, the
15 department of administration shall draw a warrant payable to the taxpayer
16 in an amount equal to the amount of the tax found by the judgment to be
17 illegal, ~~less~~ MINUS the amount of any taxes, penalties and interest due
18 from the taxpayer. The department of administration shall draw a separate
19 warrant payable to the taxpayer in an amount equal to the interest and
20 other costs recovered against the department of revenue by the judgment,
21 which shall be paid from the appropriate tax account.

22 Sec. 4. Section 42-2003, Arizona Revised Statutes, as amended by
23 Laws 2017, chapter 96, section 1, chapter 258, section 43 and chapter 340,
24 section 2, is amended to read:

25 42-2003. Authorized disclosure of confidential information

26 A. Confidential information relating to:

27 1. A taxpayer may be disclosed to the taxpayer, its successor in
28 interest or a designee of the taxpayer who is authorized in writing by the
29 taxpayer. A principal corporate officer of a parent corporation may
30 execute a written authorization for a controlled subsidiary.

31 2. A corporate taxpayer may be disclosed to any principal officer,
32 any person designated by a principal officer or any person designated in a
33 resolution by the corporate board of directors or other similar governing
34 body. IF A CORPORATE OFFICER SIGNS A STATEMENT UNDER PENALTY OF PERJURY
35 REPRESENTING THAT THE OFFICER IS A PRINCIPAL OFFICER, THE DEPARTMENT MAY
36 RELY ON THE STATEMENT UNTIL THE STATEMENT IS SHOWN TO BE FALSE. FOR THE
37 PURPOSES OF THIS PARAGRAPH, "PRINCIPAL OFFICER" INCLUDES A CHIEF EXECUTIVE
38 OFFICER, PRESIDENT, SECRETARY, TREASURER, VICE PRESIDENT OF TAX, CHIEF
39 FINANCIAL OFFICER, CHIEF OPERATING OFFICER OR CHIEF TAX OFFICER OR ANY
40 OTHER CORPORATE OFFICER WHO HAS THE AUTHORITY TO BIND THE TAXPAYER ON
41 MATTERS RELATED TO STATE TAXES.

42 3. A partnership may be disclosed to any partner of the
43 partnership. This exception does not include disclosure of confidential
44 information of a particular partner unless otherwise authorized.

1 4. A LIMITED LIABILITY COMPANY MAY BE DISCLOSED TO ANY MEMBER OF
2 THE COMPANY OR, IF THE COMPANY IS MANAGER-MANAGED, TO ANY MANAGER.

3 ~~4.~~ 5. An estate may be disclosed to the personal representative of
4 the estate and to any heir, next of kin or beneficiary under the will of
5 the decedent if the department finds that the heir, next of kin or
6 beneficiary has a material interest that will be affected by the
7 confidential information.

8 ~~5.~~ 6. A trust may be disclosed to the trustee or trustees, jointly
9 or separately, and to the grantor or any beneficiary of the trust if the
10 department finds that the grantor or beneficiary has a material interest
11 that will be affected by the confidential information.

12 7. A GOVERNMENT ENTITY MAY BE DISCLOSED TO THE HEAD OF THE ENTITY
13 OR A MEMBER OF THE GOVERNING BOARD OF THE ENTITY, OR ANY EMPLOYEE OF THE
14 ENTITY WHO HAS BEEN DELEGATED THE AUTHORIZATION IN WRITING BY THE HEAD OF
15 THE ENTITY OR THE GOVERNING BOARD OF THE ENTITY.

16 ~~6.~~ 8. Any taxpayer may be disclosed if the taxpayer has waived any
17 rights to confidentiality either in writing or on the record in any
18 administrative or judicial proceeding.

19 ~~7.~~ 9. The name and taxpayer identification numbers of persons
20 issued direct payment permits may be publicly disclosed.

21 10. ANY TAXPAYER MAY BE DISCLOSED DURING A MEETING OR TELEPHONE
22 CALL IF THE TAXPAYER IS PRESENT DURING THE MEETING OR TELEPHONE CALL AND
23 AUTHORIZES THE DISCLOSURE OF CONFIDENTIAL INFORMATION.

24 B. Confidential information may be disclosed to:

25 1. Any employee of the department whose official duties involve tax
26 administration.

27 2. The office of the attorney general solely for its use in
28 preparation for, or in an investigation that may result in, any proceeding
29 involving tax administration before the department or any other agency or
30 board of this state, or before any grand jury or any state or federal
31 court.

32 3. The department of liquor licenses and control for its use in
33 determining whether a spirituous liquor licensee has paid all transaction
34 privilege taxes and affiliated excise taxes incurred as a result of the
35 sale of spirituous liquor, as defined in section 4-101, at the licensed
36 establishment and imposed on the licensed establishments by this state and
37 its political subdivisions.

38 4. Other state tax officials whose official duties require the
39 disclosure for proper tax administration purposes if the information is
40 sought in connection with an investigation or any other proceeding
41 conducted by the official. Any disclosure is limited to information of a
42 taxpayer who is being investigated or who is a party to a proceeding
43 conducted by the official.

44 5. The following agencies, officials and organizations, if they
45 grant substantially similar privileges to the department for the type of

1 information being sought, pursuant to statute and a written agreement
2 between the department and the foreign country, agency, state, Indian
3 tribe or organization:

4 (a) The United States internal revenue service, alcohol and tobacco
5 tax and trade bureau of the United States treasury, United States bureau
6 of alcohol, tobacco, firearms and explosives of the United States
7 department of justice, United States drug enforcement agency and federal
8 bureau of investigation.

9 (b) A state tax official of another state.

10 (c) An organization of states, federation of tax administrators or
11 multistate tax commission that operates an information exchange for tax
12 administration purposes.

13 (d) An agency, official or organization of a foreign country with
14 responsibilities that are comparable to those listed in subdivision (a),
15 (b) or (c) of this paragraph.

16 (e) An agency, official or organization of an Indian tribal
17 government with responsibilities comparable to the responsibilities of the
18 agencies, officials or organizations identified in subdivision (a), (b) or
19 (c) of this paragraph.

20 6. The auditor general, in connection with any audit of the
21 department subject to the restrictions in section 42-2002, subsection D.

22 7. Any person to the extent necessary for effective tax
23 administration in connection with:

24 (a) The processing, storage, transmission, destruction and
25 reproduction of the information.

26 (b) The programming, maintenance, repair, testing and procurement
27 of equipment for purposes of tax administration.

28 (c) The collection of the taxpayer's civil liability.

29 8. The office of administrative hearings relating to taxes
30 administered by the department pursuant to section 42-1101, but the
31 department shall not disclose any confidential information **WITHOUT THE**
32 **TAXPAYER'S WRITTEN CONSENT:**

33 (a) Regarding income tax or withholding tax.

34 (b) On any tax issue relating to information associated with the
35 reporting of income tax or withholding tax.

36 9. The United States treasury inspector general for tax
37 administration for the purpose of reporting a violation of internal
38 revenue code section 7213A (26 United States Code section 7213A),
39 unauthorized inspection of returns or return information.

40 10. The financial management service of the United States treasury
41 department for use in the treasury offset program.

42 11. The United States treasury department or its authorized agent
43 for use in the state income tax levy program and in the electronic federal
44 tax payment system.

45 12. The Arizona commerce authority for its use in:

1 (a) Qualifying renewable energy operations for the tax incentives
2 under sections 42-12006, 43-1083.01 and 43-1164.01.

3 (b) Qualifying businesses with a qualified facility for income tax
4 credits under sections 43-1083.03 and 43-1164.04.

5 (c) Fulfilling its annual reporting responsibility pursuant to
6 section 41-1511, subsections U and V and section 41-1512, subsections U
7 and V.

8 (d) Certifying computer data centers for tax relief under section
9 41-1519.

10 13. A prosecutor for purposes of section 32-1164, subsection C.

11 14. The office of the state fire marshal for use in determining
12 compliance with and enforcing title 37, chapter 9, article 5.

13 15. The department of transportation for its use in administering
14 taxes, surcharges and penalties prescribed by title 28.

15 16. The Arizona health care cost containment system administration
16 for its use in administering nursing facility provider assessments.

17 17. THE DEPARTMENT OF ADMINISTRATION RISK MANAGEMENT DIVISION AND
18 THE OFFICE OF THE ATTORNEY GENERAL IF THE INFORMATION RELATES TO A CLAIM
19 AGAINST THIS STATE PURSUANT TO SECTION 12-821.01 INVOLVING THE DEPARTMENT
20 OF REVENUE.

21 18. ANOTHER STATE AGENCY IF THE TAXPAYER AUTHORIZES THE DISCLOSURE
22 OF CONFIDENTIAL INFORMATION IN WRITING, INCLUDING AN AUTHORIZATION THAT IS
23 PART OF AN APPLICATION FORM OR OTHER DOCUMENT SUBMITTED TO THE AGENCY.

24 19. THE DEPARTMENT OF ECONOMIC SECURITY FOR ITS USE IN DETERMINING
25 WHETHER AN EMPLOYER HAS PAID ALL AMOUNTS DUE UNDER THE UNEMPLOYMENT
26 INSURANCE PROGRAM PURSUANT TO TITLE 23, CHAPTER 4.

27 C. Confidential information may be disclosed in any state or
28 federal judicial or administrative proceeding pertaining to tax
29 administration pursuant to the following conditions:

30 1. One or more of the following circumstances must apply:

31 (a) The taxpayer is a party to the proceeding.

32 (b) The proceeding arose out of, or in connection with, determining
33 the taxpayer's civil or criminal liability, or the collection of the
34 taxpayer's civil liability, with respect to any tax imposed under this
35 title or title 43.

36 (c) The treatment of an item reflected on the taxpayer's return is
37 directly related to the resolution of an issue in the proceeding.

38 (d) Return information directly relates to a transactional
39 relationship between a person who is a party to the proceeding and the
40 taxpayer and directly affects the resolution of an issue in the
41 proceeding.

42 2. Confidential information may not be disclosed under this
43 subsection if the disclosure is prohibited by section 42-2002, subsection
44 C or D.

1 D. Identity information may be disclosed for purposes of notifying
2 persons entitled to tax refunds if the department is unable to locate the
3 persons after reasonable effort.

4 E. The department, on the request of any person, shall provide the
5 names and addresses of bingo licensees as defined in section 5-401, verify
6 whether or not a person has a privilege license and number, a tobacco
7 product distributor's license and number or a withholding license and
8 number or disclose the information to be posted on the department's
9 website or otherwise publicly accessible pursuant to section 42-1124,
10 subsection F and section 42-3401.

11 F. A department employee, in connection with the official duties
12 relating to any audit, collection activity or civil or criminal
13 investigation, may disclose return information to the extent that
14 disclosure is necessary to obtain information that is not otherwise
15 reasonably available. These official duties include the correct
16 determination of and liability for tax, the amount to be collected or the
17 enforcement of other state tax revenue laws.

18 G. If an organization is exempt from this state's income tax as
19 provided in section 43-1201 for any taxable year, the name and address of
20 the organization and the application filed by the organization on which
21 the department made its determination for exemption together with any
22 papers submitted in support of the application and any letter or document
23 issued by the department concerning the application are open to public
24 inspection.

25 H. Confidential information relating to transaction privilege tax,
26 use tax, severance tax, jet fuel excise and use tax and any other tax
27 collected by the department on behalf of any jurisdiction may be disclosed
28 to any county, city or town tax official if the information relates to a
29 taxpayer who is or may be taxable by a county, city or town or who may be
30 subject to audit by the department pursuant to section 42-6002. Any
31 taxpayer information released by the department to the county, city or
32 town:

33 1. May only be used for internal purposes, including audits.

34 2. May not be disclosed to the public in any manner that does not
35 comply with confidentiality standards established by the department. The
36 county, city or town shall agree in writing with the department that any
37 release of confidential information that violates the confidentiality
38 standards adopted by the department will result in the immediate
39 suspension of any rights of the county, city or town to receive taxpayer
40 information under this subsection.

41 I. The department may disclose statistical information gathered
42 from confidential information if it does not disclose confidential
43 information attributable to any one taxpayer. The department may disclose
44 statistical information gathered from confidential information, even if it
45 discloses confidential information attributable to a taxpayer, to:

1 1. The state treasurer in order to comply with the requirements of
2 section 42-5029, subsection A, paragraph 3.

3 2. The joint legislative income tax credit review committee, the
4 joint legislative budget committee staff and the legislative staff in
5 order to comply with the requirements of section 43-221.

6 J. The department may disclose the aggregate amounts of any tax
7 credit, tax deduction or tax exemption enacted after January 1, 1994.
8 Information subject to disclosure under this subsection shall not be
9 disclosed if a taxpayer demonstrates to the department that such
10 information would give an unfair advantage to competitors.

11 K. Except as provided in section 42-2002, subsection C,
12 confidential information, described in section 42-2001, paragraph 1,
13 subdivision (a), item (ii), may be disclosed to law enforcement agencies
14 for law enforcement purposes.

15 L. The department may provide transaction privilege tax license
16 information to property tax officials in a county for the purpose of
17 identification and verification of the tax status of commercial property.

18 M. The department may provide transaction privilege tax, luxury
19 tax, use tax, property tax and severance tax information to the
20 ombudsman-citizens aide pursuant to title 41, chapter 8, article 5.

21 N. Except as provided in section 42-2002, subsection D, a court may
22 order the department to disclose confidential information pertaining to a
23 party to an action. An order shall be made only on a showing of good
24 cause and that the party seeking the information has made demand on the
25 taxpayer for the information.

26 O. This section does not prohibit the disclosure by the department
27 of any information or documents submitted to the department by a bingo
28 licensee. Before disclosing the information the department shall obtain
29 the name and address of the person requesting the information.

30 P. If the department is required or permitted to disclose
31 confidential information, it may charge the person or agency requesting
32 the information for the reasonable cost of its services.

33 Q. Except as provided in section 42-2002, subsection D, the
34 department of revenue shall release confidential information as requested
35 by the department of economic security pursuant to section 42-1122 or
36 46-291. Information disclosed under this subsection is limited to the same
37 type of information that the United States internal revenue service is
38 authorized to disclose under section 6103(1)(6) of the internal revenue
39 code.

40 R. Except as provided in section 42-2002, subsection D, the
41 department of revenue shall release confidential information as requested
42 by the courts and clerks of the court pursuant to section 42-1122.

43 S. To comply with the requirements of section 42-5031, the
44 department may disclose to the state treasurer, to the county stadium
45 district board of directors and to any city or town tax official that is

1 part of the county stadium district confidential information attributable
2 to a taxpayer's business activity conducted in the county stadium
3 district.

4 T. The department shall release to the attorney general
5 confidential information as requested by the attorney general for purposes
6 of determining compliance with or enforcing any of the following:

7 1. Any public health control law relating to tobacco sales as
8 provided under title 36, chapter 6, article 14.

9 2. Any law relating to reduced cigarette ignition propensity
10 standards as provided under title 37, chapter 9, article 5.

11 3. Sections 44-7101 and 44-7111, the master settlement agreement
12 referred to in those sections and all agreements regarding disputes under
13 the master settlement agreement.

14 U. For proceedings before the department, the office of
15 administrative hearings, the board of tax appeals or any state or federal
16 court involving penalties that were assessed against a return preparer, an
17 electronic return preparer or a payroll service company pursuant to
18 section 42-1103.02, 42-1125.01 or 43-419, confidential information may be
19 disclosed only before the judge or administrative law judge adjudicating
20 the proceeding, the parties to the proceeding and the parties'
21 representatives in the proceeding prior to its introduction into evidence
22 in the proceeding. The confidential information may be introduced as
23 evidence in the proceeding only if the taxpayer's name, the names of any
24 dependents listed on the return, all social security numbers, the
25 taxpayer's address, the taxpayer's signature and any attachments
26 containing any of the foregoing information are redacted and if either:

27 1. The treatment of an item reflected on such return is or may be
28 related to the resolution of an issue in the proceeding.

29 2. Such a return or the return information relates or may relate to
30 a transactional relationship between a person who is a party to the
31 proceeding and the taxpayer that directly affects the resolution of an
32 issue in the proceeding.

33 3. The method of payment of the taxpayer's withholding tax
34 liability or the method of filing the taxpayer's withholding tax return is
35 an issue for the period.

36 V. The department and attorney general may share the information
37 specified in subsection T of this section with any of the following:

38 1. Federal, state or local agencies located in this state for the
39 purposes of enforcement of the statutes or agreements specified in
40 subsection T of this section or for the purposes of enforcement of
41 corresponding laws of other states.

42 2. Indian tribes located in this state for the purposes of
43 enforcement of the statutes or agreements specified in subsection T of
44 this section.

1 3. A court, arbitrator, data clearinghouse or similar entity for
2 the purpose of assessing compliance with or making calculations required
3 by the master settlement agreement or agreements regarding disputes under
4 the master settlement agreement, and with counsel for the parties or
5 expert witnesses in any such proceeding, if the information otherwise
6 remains confidential.

7 W. The department may provide the name and address of qualifying
8 hospitals and qualifying health care organizations, as defined in section
9 42-5001, to a business classified and reporting transaction privilege tax
10 under the utilities classification.

11 X. The department may disclose to an official of any city, town or
12 county in a current agreement or considering a prospective agreement with
13 the department as described in section 42-5032.02, subsection G any
14 information relating to amounts subject to distribution required by
15 section 42-5032.02. Information disclosed by the department under this
16 subsection:

17 1. May only be used by the city, town or county for internal
18 purposes.

19 2. May not be disclosed to the public in any manner that does not
20 comply with confidentiality standards established by the department. The
21 city, town or county must agree with the department in writing that any
22 release of confidential information that violates the confidentiality
23 standards will result in the immediate suspension of any rights of the
24 city, town or county to receive information under this subsection.

25 Y. Notwithstanding any other provision of this section, the
26 department may not disclose information provided by an online lodging
27 marketplace, as defined in section 42-5076, without the written consent of
28 the online lodging marketplace, and the information may be disclosed only
29 pursuant to subsection A, paragraphs 1 through 6, 8 AND 10, subsection B,
30 paragraphs 1, 2, 7 and 8 and subsections C and D of this section. Such
31 information:

32 1. Is not subject to disclosure pursuant to title 39, relating to
33 public records.

34 2. May not be disclosed to any agency of this state or of any
35 county, city, town or other political subdivision of this state.

36 Sec. 5. Section 42-2003, Arizona Revised Statutes, as amended by
37 Laws 2017, chapter 96, section 1, chapter 139, section 4, chapter 258,
38 section 43 and chapter 340, section 2, is amended to read:

39 42-2003. Authorized disclosure of confidential information

40 A. Confidential information relating to:

41 1. A taxpayer may be disclosed to the taxpayer, its successor in
42 interest or a designee of the taxpayer who is authorized in writing by the
43 taxpayer. A principal corporate officer of a parent corporation may
44 execute a written authorization for a controlled subsidiary.

1 2. A corporate taxpayer may be disclosed to any principal officer,
2 any person designated by a principal officer or any person designated in a
3 resolution by the corporate board of directors or other similar governing
4 body. IF A CORPORATE OFFICER SIGNS A STATEMENT UNDER PENALTY OF PERJURY
5 REPRESENTING THAT THE OFFICER IS A PRINCIPAL OFFICER, THE DEPARTMENT MAY
6 RELY ON THE STATEMENT UNTIL THE STATEMENT IS SHOWN TO BE FALSE. FOR THE
7 PURPOSES OF THIS PARAGRAPH, "PRINCIPAL OFFICER" INCLUDES A CHIEF EXECUTIVE
8 OFFICER, PRESIDENT, SECRETARY, TREASURER, VICE PRESIDENT OF TAX, CHIEF
9 FINANCIAL OFFICER, CHIEF OPERATING OFFICER OR CHIEF TAX OFFICER OR ANY
10 OTHER CORPORATE OFFICER WHO HAS THE AUTHORITY TO BIND THE TAXPAYER ON
11 MATTERS RELATED TO STATE TAXES.

12 3. A partnership may be disclosed to any partner of the
13 partnership. This exception does not include disclosure of confidential
14 information of a particular partner unless otherwise authorized.

15 4. A LIMITED LIABILITY COMPANY MAY BE DISCLOSED TO ANY MEMBER OF
16 THE COMPANY OR, IF THE COMPANY IS MANAGER-MANAGED, TO ANY MANAGER.

17 ~~4.~~ 5. An estate may be disclosed to the personal representative of
18 the estate and to any heir, next of kin or beneficiary under the will of
19 the decedent if the department finds that the heir, next of kin or
20 beneficiary has a material interest that will be affected by the
21 confidential information.

22 ~~5.~~ 6. A trust may be disclosed to the trustee or trustees, jointly
23 or separately, and to the grantor or any beneficiary of the trust if the
24 department finds that the grantor or beneficiary has a material interest
25 that will be affected by the confidential information.

26 7. A GOVERNMENT ENTITY MAY BE DISCLOSED TO THE HEAD OF THE ENTITY
27 OR A MEMBER OF THE GOVERNING BOARD OF THE ENTITY, OR ANY EMPLOYEE OF THE
28 ENTITY WHO HAS BEEN DELEGATED THE AUTHORIZATION IN WRITING BY THE HEAD OF
29 THE ENTITY OR THE GOVERNING BOARD OF THE ENTITY.

30 ~~6.~~ 8. Any taxpayer may be disclosed if the taxpayer has waived any
31 rights to confidentiality either in writing or on the record in any
32 administrative or judicial proceeding.

33 ~~7.~~ 9. The name and taxpayer identification numbers of persons
34 issued direct payment permits may be publicly disclosed.

35 10. ANY TAXPAYER MAY BE DISCLOSED DURING A MEETING OR TELEPHONE
36 CALL IF THE TAXPAYER IS PRESENT DURING THE MEETING OR TELEPHONE CALL AND
37 AUTHORIZES THE DISCLOSURE OF CONFIDENTIAL INFORMATION.

38 B. Confidential information may be disclosed to:

39 1. Any employee of the department whose official duties involve tax
40 administration.

41 2. The office of the attorney general solely for its use in
42 preparation for, or in an investigation that may result in, any proceeding
43 involving tax administration before the department or any other agency or
44 board of this state, or before any grand jury or any state or federal
45 court.

1 3. The department of liquor licenses and control for its use in
2 determining whether a spirituous liquor licensee has paid all transaction
3 privilege taxes and affiliated excise taxes incurred as a result of the
4 sale of spirituous liquor, as defined in section 4-101, at the licensed
5 establishment and imposed on the licensed establishments by this state and
6 its political subdivisions.

7 4. Other state tax officials whose official duties require the
8 disclosure for proper tax administration purposes if the information is
9 sought in connection with an investigation or any other proceeding
10 conducted by the official. Any disclosure is limited to information of a
11 taxpayer who is being investigated or who is a party to a proceeding
12 conducted by the official.

13 5. The following agencies, officials and organizations, if they
14 grant substantially similar privileges to the department for the type of
15 information being sought, pursuant to statute and a written agreement
16 between the department and the foreign country, agency, state, Indian
17 tribe or organization:

18 (a) The United States internal revenue service, alcohol and tobacco
19 tax and trade bureau of the United States treasury, United States bureau
20 of alcohol, tobacco, firearms and explosives of the United States
21 department of justice, United States drug enforcement agency and federal
22 bureau of investigation.

23 (b) A state tax official of another state.

24 (c) An organization of states, federation of tax administrators or
25 multistate tax commission that operates an information exchange for tax
26 administration purposes.

27 (d) An agency, official or organization of a foreign country with
28 responsibilities that are comparable to those listed in subdivision (a),
29 (b) or (c) of this paragraph.

30 (e) An agency, official or organization of an Indian tribal
31 government with responsibilities comparable to the responsibilities of the
32 agencies, officials or organizations identified in subdivision (a), (b) or
33 (c) of this paragraph.

34 6. The auditor general, in connection with any audit of the
35 department subject to the restrictions in section 42-2002, subsection D.

36 7. Any person to the extent necessary for effective tax
37 administration in connection with:

38 (a) The processing, storage, transmission, destruction and
39 reproduction of the information.

40 (b) The programming, maintenance, repair, testing and procurement
41 of equipment for purposes of tax administration.

42 (c) The collection of the taxpayer's civil liability.

43 8. The office of administrative hearings relating to taxes
44 administered by the department pursuant to section 42-1101, but the

1 department shall not disclose any confidential information **WITHOUT THE**
2 **TAXPAYER'S WRITTEN CONSENT:**

3 (a) Regarding income tax or withholding tax.

4 (b) On any tax issue relating to information associated with the
5 reporting of income tax or withholding tax.

6 9. The United States treasury inspector general for tax
7 administration for the purpose of reporting a violation of internal
8 revenue code section 7213A (26 United States Code section 7213A),
9 unauthorized inspection of returns or return information.

10 10. The financial management service of the United States treasury
11 department for use in the treasury offset program.

12 11. The United States treasury department or its authorized agent
13 for use in the state income tax levy program and in the electronic federal
14 tax payment system.

15 12. The Arizona commerce authority for its use in:

16 (a) Qualifying renewable energy operations for the tax incentives
17 under sections 42-12006, 43-1083.01 and 43-1164.01.

18 (b) Qualifying businesses with a qualified facility for income tax
19 credits under sections 43-1083.03 and 43-1164.04.

20 (c) Fulfilling its annual reporting responsibility pursuant to
21 section 41-1511, subsections U and V and section 41-1512, subsections U
22 and V.

23 (d) Certifying computer data centers for tax relief under section
24 41-1519.

25 13. A prosecutor for purposes of section 32-1164, subsection C.

26 14. The office of the state fire marshal for use in determining
27 compliance with and enforcing title 37, chapter 9, article 5.

28 15. The department of transportation for its use in administering
29 taxes, surcharges and penalties prescribed by title 28.

30 16. The Arizona health care cost containment system administration
31 for its use in administering nursing facility provider assessments.

32 17. The department of education for the purpose of verifying income
33 eligibility to be classified as a low-income student pursuant to section
34 15-2402, subsection M.

35 18. **THE DEPARTMENT OF ADMINISTRATION RISK MANAGEMENT DIVISION AND**
36 **THE OFFICE OF THE ATTORNEY GENERAL IF THE INFORMATION RELATES TO A CLAIM**
37 **AGAINST THIS STATE PURSUANT TO SECTION 12-821.01 INVOLVING THE DEPARTMENT**
38 **OF REVENUE.**

39 19. **ANOTHER STATE AGENCY IF THE TAXPAYER AUTHORIZES THE DISCLOSURE**
40 **OF CONFIDENTIAL INFORMATION IN WRITING, INCLUDING AN AUTHORIZATION THAT IS**
41 **PART OF AN APPLICATION FORM OR OTHER DOCUMENT SUBMITTED TO THE AGENCY.**

42 20. **THE DEPARTMENT OF ECONOMIC SECURITY FOR ITS USE IN DETERMINING**
43 **WHETHER AN EMPLOYER HAS PAID ALL AMOUNTS DUE UNDER THE UNEMPLOYMENT**
44 **INSURANCE PROGRAM PURSUANT TO TITLE 23, CHAPTER 4.**

1 C. Confidential information may be disclosed in any state or
2 federal judicial or administrative proceeding pertaining to tax
3 administration pursuant to the following conditions:

4 1. One or more of the following circumstances must apply:

5 (a) The taxpayer is a party to the proceeding.

6 (b) The proceeding arose out of, or in connection with, determining
7 the taxpayer's civil or criminal liability, or the collection of the
8 taxpayer's civil liability, with respect to any tax imposed under this
9 title or title 43.

10 (c) The treatment of an item reflected on the taxpayer's return is
11 directly related to the resolution of an issue in the proceeding.

12 (d) Return information directly relates to a transactional
13 relationship between a person who is a party to the proceeding and the
14 taxpayer and directly affects the resolution of an issue in the
15 proceeding.

16 2. Confidential information may not be disclosed under this
17 subsection if the disclosure is prohibited by section 42-2002, subsection
18 C or D.

19 D. Identity information may be disclosed for purposes of notifying
20 persons entitled to tax refunds if the department is unable to locate the
21 persons after reasonable effort.

22 E. The department, on the request of any person, shall provide the
23 names and addresses of bingo licensees as defined in section 5-401, verify
24 whether or not a person has a privilege license and number, a tobacco
25 product distributor's license and number or a withholding license and
26 number or disclose the information to be posted on the department's
27 website or otherwise publicly accessible pursuant to section 42-1124,
28 subsection F and section 42-3401.

29 F. A department employee, in connection with the official duties
30 relating to any audit, collection activity or civil or criminal
31 investigation, may disclose return information to the extent that
32 disclosure is necessary to obtain information that is not otherwise
33 reasonably available. These official duties include the correct
34 determination of and liability for tax, the amount to be collected or the
35 enforcement of other state tax revenue laws.

36 G. If an organization is exempt from this state's income tax as
37 provided in section 43-1201 for any taxable year, the name and address of
38 the organization and the application filed by the organization on which
39 the department made its determination for exemption together with any
40 papers submitted in support of the application and any letter or document
41 issued by the department concerning the application are open to public
42 inspection.

43 H. Confidential information relating to transaction privilege tax,
44 use tax, severance tax, jet fuel excise and use tax and any other tax
45 collected by the department on behalf of any jurisdiction may be disclosed

1 to any county, city or town tax official if the information relates to a
2 taxpayer who is or may be taxable by a county, city or town or who may be
3 subject to audit by the department pursuant to section 42-6002. Any
4 taxpayer information released by the department to the county, city or
5 town:

6 1. May only be used for internal purposes, including audits.

7 2. May not be disclosed to the public in any manner that does not
8 comply with confidentiality standards established by the department. The
9 county, city or town shall agree in writing with the department that any
10 release of confidential information that violates the confidentiality
11 standards adopted by the department will result in the immediate
12 suspension of any rights of the county, city or town to receive taxpayer
13 information under this subsection.

14 I. The department may disclose statistical information gathered
15 from confidential information if it does not disclose confidential
16 information attributable to any one taxpayer. The department may disclose
17 statistical information gathered from confidential information, even if it
18 discloses confidential information attributable to a taxpayer, to:

19 1. The state treasurer in order to comply with the requirements of
20 section 42-5029, subsection A, paragraph 3.

21 2. The joint legislative income tax credit review committee, the
22 joint legislative budget committee staff and the legislative staff in
23 order to comply with the requirements of section 43-221.

24 J. The department may disclose the aggregate amounts of any tax
25 credit, tax deduction or tax exemption enacted after January 1, 1994.
26 Information subject to disclosure under this subsection shall not be
27 disclosed if a taxpayer demonstrates to the department that such
28 information would give an unfair advantage to competitors.

29 K. Except as provided in section 42-2002, subsection C,
30 confidential information, described in section 42-2001, paragraph 1,
31 subdivision (a), item (ii), may be disclosed to law enforcement agencies
32 for law enforcement purposes.

33 L. The department may provide transaction privilege tax license
34 information to property tax officials in a county for the purpose of
35 identification and verification of the tax status of commercial property.

36 M. The department may provide transaction privilege tax, luxury
37 tax, use tax, property tax and severance tax information to the
38 ombudsman-citizens aide pursuant to title 41, chapter 8, article 5.

39 N. Except as provided in section 42-2002, subsection D, a court may
40 order the department to disclose confidential information pertaining to a
41 party to an action. An order shall be made only on a showing of good
42 cause and that the party seeking the information has made demand on the
43 taxpayer for the information.

44 O. This section does not prohibit the disclosure by the department
45 of any information or documents submitted to the department by a bingo

1 licensee. Before disclosing the information the department shall obtain
2 the name and address of the person requesting the information.

3 P. If the department is required or permitted to disclose
4 confidential information, it may charge the person or agency requesting
5 the information for the reasonable cost of its services.

6 Q. Except as provided in section 42-2002, subsection D, the
7 department of revenue shall release confidential information as requested
8 by the department of economic security pursuant to section 42-1122 or
9 46-291. Information disclosed under this subsection is limited to the same
10 type of information that the United States internal revenue service is
11 authorized to disclose under section 6103(l)(6) of the internal revenue
12 code.

13 R. Except as provided in section 42-2002, subsection D, the
14 department of revenue shall release confidential information as requested
15 by the courts and clerks of the court pursuant to section 42-1122.

16 S. To comply with the requirements of section 42-5031, the
17 department may disclose to the state treasurer, to the county stadium
18 district board of directors and to any city or town tax official that is
19 part of the county stadium district confidential information attributable
20 to a taxpayer's business activity conducted in the county stadium
21 district.

22 T. The department shall release to the attorney general
23 confidential information as requested by the attorney general for purposes
24 of determining compliance with or enforcing any of the following:

25 1. Any public health control law relating to tobacco sales as
26 provided under title 36, chapter 6, article 14.

27 2. Any law relating to reduced cigarette ignition propensity
28 standards as provided under title 37, chapter 9, article 5.

29 3. Sections 44-7101 and 44-7111, the master settlement agreement
30 referred to in those sections and all agreements regarding disputes under
31 the master settlement agreement.

32 U. For proceedings before the department, the office of
33 administrative hearings, the board of tax appeals or any state or federal
34 court involving penalties that were assessed against a return preparer, an
35 electronic return preparer or a payroll service company pursuant to
36 section 42-1103.02, 42-1125.01 or 43-419, confidential information may be
37 disclosed only before the judge or administrative law judge adjudicating
38 the proceeding, the parties to the proceeding and the parties'
39 representatives in the proceeding prior to its introduction into evidence
40 in the proceeding. The confidential information may be introduced as
41 evidence in the proceeding only if the taxpayer's name, the names of any
42 dependents listed on the return, all social security numbers, the
43 taxpayer's address, the taxpayer's signature and any attachments
44 containing any of the foregoing information are redacted and if either:

1 1. The treatment of an item reflected on such return is or may be
2 related to the resolution of an issue in the proceeding.

3 2. Such a return or the return information relates or may relate to
4 a transactional relationship between a person who is a party to the
5 proceeding and the taxpayer that directly affects the resolution of an
6 issue in the proceeding.

7 3. The method of payment of the taxpayer's withholding tax
8 liability or the method of filing the taxpayer's withholding tax return is
9 an issue for the period.

10 V. The department and attorney general may share the information
11 specified in subsection T of this section with any of the following:

12 1. Federal, state or local agencies located in this state for the
13 purposes of enforcement of the statutes or agreements specified in
14 subsection T of this section or for the purposes of enforcement of
15 corresponding laws of other states.

16 2. Indian tribes located in this state for the purposes of
17 enforcement of the statutes or agreements specified in subsection T of
18 this section.

19 3. A court, arbitrator, data clearinghouse or similar entity for
20 the purpose of assessing compliance with or making calculations required
21 by the master settlement agreement or agreements regarding disputes under
22 the master settlement agreement, and with counsel for the parties or
23 expert witnesses in any such proceeding, if the information otherwise
24 remains confidential.

25 W. The department may provide the name and address of qualifying
26 hospitals and qualifying health care organizations, as defined in section
27 42-5001, to a business classified and reporting transaction privilege tax
28 under the utilities classification.

29 X. The department may disclose to an official of any city, town or
30 county in a current agreement or considering a prospective agreement with
31 the department as described in section 42-5032.02, subsection G any
32 information relating to amounts subject to distribution required by
33 section 42-5032.02. Information disclosed by the department under this
34 subsection:

35 1. May only be used by the city, town or county for internal
36 purposes.

37 2. May not be disclosed to the public in any manner that does not
38 comply with confidentiality standards established by the department. The
39 city, town or county must agree with the department in writing that any
40 release of confidential information that violates the confidentiality
41 standards will result in the immediate suspension of any rights of the
42 city, town or county to receive information under this subsection.

43 Y. Notwithstanding any other provision of this section, the
44 department may not disclose information provided by an online lodging
45 marketplace, as defined in section 42-5076, without the written consent of

1 the online lodging marketplace, and the information may be disclosed only
2 pursuant to subsection A, paragraphs 1 through 6, 8 AND 10, subsection B,
3 paragraphs 1, 2, 7 and 8 and subsections C and D of this section. Such
4 information:

5 1. Is not subject to disclosure pursuant to title 39, relating to
6 public records.

7 2. May not be disclosed to any agency of this state or of any
8 county, city, town or other political subdivision of this state.

9 Sec. 6. Section 42-2059, Arizona Revised Statutes, is amended to
10 read:

11 42-2059. Additional audits or proposed assessments
12 prohibited; exceptions

13 A. When the department completes an audit or the findings of a
14 managed audit are accepted by the director or approved on appeal and a
15 deficiency has been completely determined under section 42-1108 or chapter
16 1, article 6 of this title, the taxpayer's liability for the particular
17 tax for the period subjected to the audit is fixed and determined, and ~~no~~
18 AN additional audit may NOT be conducted except under the following
19 circumstances:

20 1. ~~if~~ A taxpayer files a claim for refund under section 42-1251,
21 subsection ~~B~~ C or any other provision authorizing a claim for refund.
22 Any departmental audit of the claim is limited to the issues presented on
23 the claim for refund.

24 2. Changes or corrections ARE required to be reported to the
25 department by section 43-327. The department may audit any such reports
26 or any periods for which a report was required notwithstanding this
27 section and may determine a tax deficiency or a refund.

28 3. If the taxpayer failed to disclose material information during
29 the audit, or ~~has~~ falsified books or records or otherwise engaged in an
30 action that prevented the department from conducting an accurate audit,
31 the applicability of this subsection may be part of a subsequent protest
32 and may be contested by the taxpayer pursuant to chapter 1, article 6 of
33 this title.

34 4. If a managed audit is completed under the terms of a limited
35 managed audit agreement, the department may audit the issues not covered
36 by the limited managed audit agreement within the statute of limitations
37 prescribed by section 42-1104.

38 B. If the department issues a notice of proposed assessment of
39 taxes imposed by chapter 5, article 1 or 4 of this title or title 43,
40 chapter 10, the department may not increase the amount of the proposed
41 assessment except in one or more of the following circumstances:

42 1. The taxpayer ~~has~~ made a material misrepresentation of facts.

43 2. The taxpayer ~~has~~ failed to disclose a material fact to the
44 auditor.

1 3. The department ~~has~~ requested information and the taxpayer fails
2 to provide that information to the department.

3 4. After issuing the notice of proposed assessment but before the
4 assessment becomes final the tax court, court of appeals or supreme court
5 issues a decision, the application of which causes the tax initially
6 proposed to increase.

7 C. Subsection B of this section does not apply to changes or
8 corrections that are required to be reported to the department by section
9 43-327.

10 Sec. 7. Retroactivity

11 A. Sections 42-1251, 42-1253, 42-1254 and 42-2059, Arizona Revised
12 Statutes, as amended by this act, apply retroactively to all tax disputes
13 filed pursuant to section 42-1251, Arizona Revised Statutes, pending on or
14 arising from and after December 31, 2016.

15 B. Section 42-2003, Arizona Revised Statutes, as amended by Laws
16 2017, chapter 96, section 1, chapter 258, section 43, chapter 340, section
17 2 and this act, applies retroactively to from and after May 22, 2015.

18 Sec. 8. Conditional enactment; retroactivity

19 Section 42-2003, Arizona Revised Statutes, as amended by Laws 2017,
20 chapter 96, section 1, chapter 139, section 4, chapter 258, section 43,
21 chapter 340, section 2 and this act, is effective, and applies
22 retroactively to from and after May 22, 2015, only if Laws 2017, chapter
23 139, the subject of referendum petition R-02-2018, is approved by a vote
24 of the people at the next general election or fails to be referred to the
25 voters at the next general election.

APPROVED BY THE GOVERNOR APRIL 12, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 13, 2018.