
Testimony to the House Committee on Governmental Efficiency and Technology

Joan Wagnon

February 7, 2007

Department Concerns with House Bill 2207

Representative Morrison, Chair, and Members of the Committee:

House Bill 2207 proposes to create the Taxpayer Transparency Act, which appears intended to require the Department of Revenue to provide to the Department of Administration for posting on a website information on certain “tax refunds, rebates or credits,” including the name and address of the recipient, type of transaction, expending agency, etc. Section 2(a)(2)(D) appears to exclude information on income tax refunds, rebates and credits, but references the wrong statutes, K.S.A. 79-1701, 79-1702 and 79-1705, which concern certain property tax refunds. Thus, it is not clear which types of tax information are intended to be disclosed.

Although Subsection 2(e) provides that nothing in the act “shall require the disclosure of information which is considered confidential by state or federal law,” Section 3 seems intended to amend the confidentiality statute concerning excise tax information, K.S.A. 2006 Supp. 75-5133, to allow the Department of Revenue to disclose for website publication individual taxpayer excise tax information on tax refunds, rebates or credits. The proposed amending language at page 4, lines 35 through 37 of the bill references subsections (b) and (d) of section 1 of the bill, when it appears that “section 2” was intended. Assuming that error is corrected, this remains very bad policy and will cause an uproar in the business community. Taxpayers rely on the Department to keep their specific taxpayer information confidential. It is one of the foundations of our tax system. Our largest excise tax is the sales tax. Other excise taxes include cigarette, tobacco products, cereal malt beverage, liquor gallonage, liquor enforcement, liquor drink, severance taxes, and others. Individual taxpayer information concerning these excise taxes, or any other taxes, should not be disclosed. The attempt to amend K.S.A. 2006 Supp. 75-5133 in Section 3 should be deleted from this bill.

The Department of Revenue currently publishes in downloadable form on our website www.ksrevenue.org under the “statistics” window, the Annual Report and the Tax Expenditure Report, both of which include refund and credit statistics on various tax types. This is public data and does not include any individual taxpayer information. The Department of Revenue would be pleased to provide these reports and work with the Department of Administration to make these reports, or other tax reports containing public information that we produce, accessible through website links.