

CHAPTER 20

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

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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

C.54:49-12.2 Agreements for collection, fraud prevention services.

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

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

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

C.54:49-12.4 Provision of taxpayer information.

3. The provisions of subsection a. of R.S.54:50-8 notwithstanding, the director may provide such taxpayer information as is necessary for the provider of debt collection services or fraud prevention services to fulfill its obligations under the collection agreement or fraud prevention agreement, provided that such disclosure is not contrary to the provisions of subsection (a) of section 6103 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.6103. Such persons, companies, associations or corporations providing debt collection services or fraud prevention services, and their employees, shall be specifically subject to the confidentiality provisions of R.S.54:50-8. The provider of debt collection services or fraud prevention services shall furnish the director with the affidavit of each of its principals and employees in which each such principal and employee shall acknowledge receipt of a copy of the confidentiality provisions of the "State Uniform Tax Procedure Law", R.S.54:48-1 et seq., understanding of the obligation to maintain, and agreement to maintain, the confidentiality of taxpayer information, and awareness that violation of the confidentiality provisions is punishable by law.

3. This act shall take effect immediately.

Approved January 25, 2013.