

Senate Bill No. 1104

An act relating to certified audits; amending ss. 213.053, 213.21, 213.285, F.S.; postponing the repeal of provisions relating to the certified audits project; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (n) of subsection (7) of section 213.053, Florida Statutes, is amended to read:

213.053 Confidentiality and information sharing.—

(7) Notwithstanding any other provision of this section, the department may provide:

(n) Information contained in returns, reports, accounts, or declarations to the Board of Accountancy in connection with a disciplinary proceeding conducted pursuant to chapter 473 when related to a certified public accountant participating in the certified audits project, or to the court in connection with a civil proceeding brought by the department relating to a claim for recovery of taxes due to negligence on the part of a certified public accountant participating in the certified audits project. In any judicial proceeding brought by the department, upon motion for protective order, the court shall limit disclosure of tax information when necessary to effectuate the purposes of this section. This paragraph is repealed on July 1, 2006 ~~2002~~.

Disclosure of information under this subsection shall be pursuant to a written agreement between the executive director and the agency. Such agencies, governmental or nongovernmental, shall be bound by the same requirements of confidentiality as the Department of Revenue. Breach of confidentiality is a misdemeanor of the first degree, punishable as provided by s. 775.082 or s. 775.083.

Section 2. Subsection (8) of section 213.21, Florida Statutes, is amended to read:

213.21 Informal conferences; compromises.—

(8) In order to determine whether certified audits are an effective tool in the overall state tax collection effort, the executive director of the department or the executive director's designee shall settle or compromise penalty liabilities of taxpayers who participate in the certified audits project. As further incentive for participating in the program, the department shall abate the first \$25,000 of any interest liability and 25 percent of any interest due in excess of the first \$25,000. A settlement or compromise of penalties or interest pursuant to this subsection shall not be subject to the provisions of paragraph (3)(a), except for the requirement relating to confidentiality of records. The department may consider an additional compromise of tax or interest pursuant to the provisions of paragraph (3)(a). This subsection does

not apply to any liability related to taxes collected but not remitted to the department. This subsection is repealed on July 1, 2006 ~~2002~~.

Section 3. Subsection (2) of section 213.285, Florida Statutes, is amended to read:

213.285 Certified audits.—

(2)(a) The department is authorized to initiate a certified audits project to further enhance tax compliance reviews performed by qualified practitioners and to encourage taxpayers to hire qualified practitioners at their own expense to review and report on their tax compliance. The nature of certified audit work performed by qualified practitioners shall be agreed-upon procedures in which the department is the specified user of the resulting report.

(b) As an incentive for taxpayers to incur the costs of a certified audit, the department shall compromise penalties and abate interest due on any tax liabilities revealed by a certified audit as provided in s. 213.21. This authority to compromise penalties or abate interest shall not apply to any liability for taxes that were collected by the participating taxpayer but that were not remitted to the department.

(c) The certified audits project is repealed on July 1, 2006 ~~2002~~, or upon completion of the project as determined by the department, whichever occurs first.

Section 4. This act shall take effect July 1, 2002.

Approved by the Governor April 24, 2002.

Filed in Office Secretary of State April 24, 2002.