

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE BILL 764

Short Title: Occ Lic Bd/Audit Business it Regulates/Taxes. (Public)

Sponsors: Representative Richardson (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Finance.

April 11, 2013

A BILL TO BE ENTITLED

AN ACT AUTHORIZING OCCUPATIONAL LICENSING BOARD TO CONDUCT AUDITS OF THE PERSONS OR BUSINESSES THE OCCUPATIONAL LICENSING BOARDS REGULATE AND ALLOWING OCCUPATIONAL LICENSING BOARDS TO REVOKE THE LICENSES OF PERSONS OR BUSINESSES REGULATED BY THE BOARD FOR FAILURE TO PAY TAXES OR PROPERLY CLASSIFY WORKERS; AND AUTHORIZING THE DEPARTMENT OF REVENUE TO DISCLOSE TAX INFORMATION PURSUANT TO A REQUEST FROM AN OCCUPATIONAL LICENSING BOARD.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 93B of the General Statutes is amended by adding the following new section to read:

"§ 93B-4.1. Occupational licensing board to audit business it regulates; revocation of license for failure to pay taxes or classify workers.

(a) An occupational licensing board shall have the authority to audit any person or business regulated by the occupational licensing board to ensure (i) proper classification of employees for tax purposes under Chapter 105 of the General Statutes and (ii) the person or business entity's compliance with worker's compensation coverage pursuant to Chapter 97 of the General Statutes. An occupational licensing board may contract with independent professionals to meet the requirements of this subsection. The cost of all audits shall be paid by the person or business entity audited.

(b) In conducting an audit under subsection (a) of this section, an occupational licensing board may revoke the license of a person or business regulated by the occupational licensing board for failure to (i) pay taxes or (ii) properly classify, for tax purposes, the persons employed by the licensed person or business. An occupational licensing board may submit a request for tax information pursuant to this subsection to the Department of Revenue in accordance with G.S. 105-259(b)(44)."

SECTION 2. G.S. 105-259(b) is amended by adding the following new subdivision to read:

"(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State who has access to tax information in the course of service to or employment by the State may not disclose the information to any other person except as provided in this subsection. Standards used or to be used for the selection of returns for examination and data used or to be used for determining the standards may not be disclosed for any purpose. All other tax information may be disclosed only if the disclosure is made for one of the following purposes:



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(44) To provide tax information pursuant to a request from an occupational
licensing board conducting an audit under G.S. 93B-4.1(b)."
SECTION 3. This act is effective when it becomes law.