



State of Tennessee

PUBLIC CHAPTER NO. 339

HOUSE BILL NO. 1246

By Representative Curtis Johnson

Substituted for: Senate Bill No. 1303

By Senator McNally

AN ACT to amend Tennessee Code Annotated, Title 8; Title 38; Title 39; Title 40; Title 48 and Title 67, relative to criminal law.

WHEREAS, combating sales tax fraud must be vigorously and consistently pursued to assure that law abiding citizens and taxpayers of Tennessee do not bear undue burdens because of those who cheat and break the sales tax law; and

WHEREAS, when sales tax receipts fall below estimates due to fraud the reduction in resources may negatively impact the health, education and safety of our citizens; and

WHEREAS, district attorneys general recognize the need to work closely with the Tennessee Department of Revenue to combat sales tax fraud; and

WHEREAS, the commissioner of revenue was invited to attend and did attend the September 2012 meeting of the Tennessee district attorneys conference; and

WHEREAS, at that meeting the commissioner and the district attorneys discussed ways to better investigate, prepare for and prosecute sales tax fraud cases; and

WHEREAS, discussion continues as they collaborate on this subject and a report to the general assembly will be helpful to ensure the elected senators and representatives of this state are kept apprised of these discussions and of any legislative recommendations which may come from those discussions; now, therefore

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The general assembly hereby directs the executive director of the Tennessee district attorneys general conference, in consultation with the commissioner of revenue shall prepare a report to the general assembly on steps which should be taken with respect to improvement of sales tax fraud investigations and prosecutions. The report shall include, but not be limited to, the following:

- (1) Recommendations on hiring additional investigators, accountants, auditors or staff by the department of revenue including computer specialists and clerical staff and any specialized training needed for investigators and staff members to enhance their knowledge and skills for combating sales tax fraud;
- (2) Any recommendations by the Tennessee district attorneys general conference on hiring prosecutors or district attorneys general pro tem, accountants or auditors, expert witnesses, including computer specialists and clerical staff and any specialized training needed for prosecutors and staff members to enhance their knowledge and skills for combating sales tax fraud.

SECTION 2. The executive director of the Tennessee district attorneys general conference, in consultation with the commissioner of revenue, may take any steps under current authority to better combat sales tax fraud as may be found during the course of the reporting period.

SECTION 3. The report to the general assembly shall be completed and transmitted to the chief clerk of the Senate and the chief clerk of the House of Representatives no later than March 15, 2014.

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SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: APRIL 15, 2013



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 13th day of May 2013



BILL HASLAM, GOVERNOR