



Sen. Sara Feigenholtz

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LRB103 34188 HLH 70334 a

1 AMENDMENT TO SENATE BILL 3617

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3617 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Revenue Law of the Civil  
5 Administrative Code of Illinois is amended by adding Section  
6 2505-430 as follows:

7 (20 ILCS 2505/2505-430 new)

8 Sec. 2505-430. Financial institution data matching.

9 (a) Definitions. As used in this Section:

10 "Account" means a demand deposit account, checking or  
11 negotiable withdrawal order account, savings account, time  
12 deposit account, or money market mutual fund account.

13 "Financial institution" means:

14 (1) a depository institution, which is any bank or  
15 saving association;

16 (2) an insured depository institution, which is any

1 bank or saving institution the deposits of which are  
2 insured pursuant to the Federal Deposit Insurance Act, or  
3 any uninsured branch or agency of a foreign bank or a  
4 commercial lending company owned or controlled by a  
5 foreign bank;

6 (3) a federal depository institution, which is any  
7 national bank, any federal savings association, or any  
8 federal branch;

9 (4) a state depository institution, which is any state  
10 bank, any state savings association, or any insured branch  
11 that is not a federal branch;

12 (5) a federal credit union, which is a cooperative  
13 association organized in accordance with the provisions of  
14 the Federal Credit Union Act;

15 (6) a state-chartered credit union that is organized  
16 and operated according to the laws of this or any other  
17 state, which laws provide for the organization of credit  
18 unions similar in principle and objectives to federal  
19 credit unions; and

20 (7) any benefit association, insurance company, safe  
21 deposit company, money market mutual fund, or similar  
22 entity authorized to do business in this State.

23 "Financial record" has the meaning given to that term in  
24 Section 3401 of the federal Right to Financial Privacy Act of  
25 1978.

26 (b) The Department may design and implement a data match

1 system pursuant to which the Department and financial  
2 institutions doing business in this State may enter into  
3 agreements for the purpose of identifying accounts of  
4 taxpayers who are delinquent in the payment of a tax collected  
5 by the Department. No financial institution shall be required  
6 to enter into any such agreement with the Department.

7 Any agreement entered into with a financial institution  
8 under this Section shall provide, at the option of the  
9 financial institution, either (i) that the financial  
10 institution shall compare the data of account holders, owners,  
11 or customers who maintain one or more accounts at the  
12 financial institution with data of individuals and business  
13 entities who are identified by the Department as delinquent  
14 taxpayers and whose name, record address, and social security  
15 number or tax identification number are provided by the  
16 Department to the financial institution or (ii) that the  
17 financial institution shall provide to the Department the  
18 social security numbers or tax identification numbers of the  
19 account holders, owners, or customers who maintain one or more  
20 accounts at the financial institution, and the Department  
21 shall compare that data with data of individuals and business  
22 entities who are identified by the Department as delinquent  
23 taxpayers.

24 If the financial institution or the Department determines  
25 that the name and social security number or tax identification  
26 number of an individual or business entity identified by the

1 Department as a delinquent taxpayer matches the name and  
2 social security number or tax identification number of an  
3 account holder, owner, or customer who maintains one or more  
4 accounts at the financial institution, then the financial  
5 institution shall report the individual's or business entity's  
6 name and either social security number or tax identification  
7 number to the Department for each calendar quarter in which  
8 the Department notifies the financial institution that the  
9 individual or business entity is a delinquent taxpayer.

10 (c) The reporting requirements of subsection (b) of this  
11 Section apply to personal (both individual and joint) and  
12 business accounts, including sole proprietorship accounts. In  
13 the case of a joint account, the account holder or owner shall  
14 be deemed to be the primary account holder or owner  
15 established by the financial institution in accordance with  
16 federal 1099 reporting requirements.

17 (d) The Department shall make a reasonable effort to  
18 accommodate those financial institutions on which the  
19 requirements of this Section would impose a hardship. In the  
20 case of a non-automated financial institution, a paper copy  
21 including either social security numbers or tax identification  
22 numbers is an acceptable format. In order to allow for data  
23 processing implementation, no agreement shall become effective  
24 earlier than 90 days after its execution.

25 (e) All information provided by a financial institution  
26 under this Section is confidential and may be used only for the

1 purpose of enforcing payment of delinquent taxes.

2 (f) A financial institution that provides information  
3 under this Section shall not be liable to any account holder,  
4 owner, or other person in any civil, criminal, or  
5 administrative action for any of the following:

6 (1) disclosing the required information to the  
7 Department, any other provisions of law notwithstanding;

8 (2) holding, encumbering, or surrendering any of an  
9 individual's accounts as defined in subsection (a) of this  
10 Section in response to a lien or order to withhold and  
11 deliver issued by the Department; or

12 (3) any other action taken or omission made in good  
13 faith to comply with this Section, including individual or  
14 mechanical errors, provided that the action or omission  
15 does not constitute gross negligence or willful  
16 misconduct.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law."