

Rules Report

To: Rebecca Rice-Miller, Bureau of Legislative Research

From: Tammera Harrelson, Chief Counsel, Department of Inspector General

Re: Act 595 Report

Date: July 1, 2022

Description: Act 586 of 2021 amended the laws pertaining to administrative hearing procedures for state taxes and the procedures for taxpayer judicial relief through the creation of the Independent Tax Appeals Commission. The purpose of Act 586 is to establish an independent tribunal with tax expertise to resolve disputes between the Department of Finance and Administration and taxpayers. The Tax Appeals Commission is created as part of the Department of Inspector General.

Pursuant to Act 586, three Commissioners will be appointed by July 1, 2022. The Tax Appeals Commission is responsible for promulgating new rules to carry out the intent and purpose of the Act, and the final rules are to be filed with the Secretary of State on or before December 1, 2022. Initial hearings will begin no later than January 1, 2023.

Status: The Governor has appointed the three Commissioners. Secretary Smith and I have met with them, and we have discussed the required rules and the importance of hiring their attorney to begin that process. I'm hoping that we can begin drafting the rules later this month.

Contact Information: Tammera Harrelson, Chief Counsel, Department of Inspector General.

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