



GOVERNOR OF MISSOURI

JEFFERSON CITY

65102

JEREMIAH W. (JAY) NIXON  
GOVERNOR

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July 2, 2014

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you House Committee Substitute for House Bill No. 1261 entitled:

AN ACT

To repeal sections 105.145, 238.222, and 238.272, RSMo, and to enact in lieu thereof three new sections relating to transportation development districts.

I disapprove of House Committee Substitute for House Bill No. 1261. My reasons for disapproval are as follows:

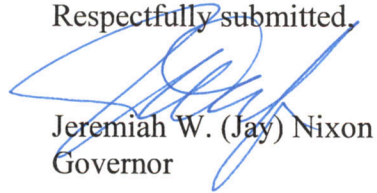
As introduced, House Bill No. 1261 would have modified current law to require the State Auditor's Office (SAO) to notify the Department of Revenue (DOR) of a transportation development district's failure to file an annual financial statement with the SAO. Upon notification, DOR would be required to collect a statutorily prescribed fine from the delinquent TDD and after retention of two percent of the sum collected, remit the remaining funds to the school districts of the county in which the TDD was located. House Bill No. 1261 would have also required newly formed TDD's to notify the SAO of their establishment upon the first meeting of the TDD board and modified the maximum amount the SAO could charge a TDD for audits.

House Committee Substitute for House Bill No. 1261 amended the introduced legislation to include a provision that would risk unwarranted invasions of taxpayer privacy. The modifications to Section 105.145 in House Committee Substitute for House Bill No. 1261 provide blanket immunity from civil and criminal liability under Section 32.057, RSMo, for the improper disclosure of personally identifiable taxpayer information by those preparing financial reports and auditing a transportation development district. This would allow individuals to sell, share, or otherwise disclose confidential taxpayer information without fear of criminal prosecution. This sweeping grant of immunity for the disclosure of confidential taxpayer information would jeopardize the competitiveness of businesses located within the TDD by enabling competitors to obtain sensitive, proprietary information, such as income and sales receipts. Authorizing such immunity for the disclosure of confidential taxpayer information is

bad public policy and could create a chilling effect on the willingness of businesses to fully disclose information necessary to ensure the proper administration of Missouri's tax system.

In accordance with the above stated reasons for disapproval, I am returning House Committee Substitute for House Bill No. 1261 without my approval.

Respectfully submitted,



Jeremiah W. (Jay) Nixon  
Governor