

**ADMINISTRATIVE GUIDELINES  
CONFIDENTIALITY OF SALES TAX INFORMATION  
PROCEDURE 100**

The following procedures have been established to prevent unauthorized disclosure of confidential information.<sup>1</sup>

**How access to sales tax information is granted to CBJ employees**

**Lock box pickup:** Individuals charged with the responsibility of picking up the lock box contents are to treat these contents as sales tax returns or return information, regardless of what may be visible. Any review of the information collected is prohibited.

**Mailroom processing:** Any review or analysis of the information filed by the merchant outside of payments included or not included with the sales tax return is prohibited.

Envelopes are opened and returns are examined for a payment being included. Returns that indicate a payment is due, but is received without a payment, are stamped with the “NC” (no check) stamp. These returns are set-aside for pick up by the Sales Tax Office personnel.

Returns with payment, the upper portion of the sales tax return is removed and is processed with the payment. The bottom portion of the return is set-aside for pick up by the Sales Tax Office personnel.

The upper portion of the return will state the period ending, sales tax account number, merchant’s name, address and the total amount of sales tax due for that period. The upper portion of the return will be processed in a batch and will be maintained as back up for that batch total.

**Sales Tax Office:** The Accounting Technician I will process all returns through the computerized sales tax subsystem and maintain all sales tax returns files. Sales tax Sales Tax Accountants and the Revenue Officer will have access to both the computerized records and the files. The CBJ Law Department will have access to sales tax records on a case by case basis.

**Storage and handling of sales tax returns**

Sales tax returns may be filed by mail, through the online portal, placed in the lock box, or hand-delivered to the Treasury cash window or the Sales Tax Office. When returns or related tax information are hand-carried (for example, during lock box pick-up, audit trips, or transfers from the cash area to the Sales Tax Office), they must remain in the custody of the designated

---

<sup>1</sup>The Sales Tax Office is required by CBJ ordinance 69.05.070 (d) to maintain the confidentiality of the information required to be filed under the sales tax chapter 69.05. Only those employees who have a need to know will be permitted access to tax and tax-related information. Any employee having access to sales tax information will be thoroughly briefed on all security procedures and instructions requiring their awareness and compliance. The confidentiality provisions of the sales tax ordinance and the section outlining the information to be made public will be posted at every work site and in view for public inspection.

individual at all times. If it becomes necessary to leave the material in a vehicle, it must be placed in the locked trunk, with the vehicle itself locked, and left unattended only for a short period.

Sales tax information will be secured at all times in the Sales Tax Office. Returns in process must be locked away when not in use. Once processed, returns will be scanned and stored in a secure digital network, and all physical copies will be placed in a locked file room with access restricted to sales tax personnel. Shredding of confidential documents will be conducted in accordance with the CBJ Records Retention Schedule and approved disposal procedures.

The Sales Tax Office is locked at all times, unless manned by Sales Tax Office personnel.

### **Release of tax information**

*The following information shall be made available to the public the name and address of sellers; whether or not a business is registered to collect sales tax in the city and borough; whether or not a business is current in filing sales tax returns and in remitting sales tax, the amount of sales tax due, and the number of returns not filed.*

The above information is available from the Sales Tax Office at any time.

The confidentiality provision also allows for releasing confidential information to the person supplying the information or to persons authorized in writing by such person. An authorized person may be:

<u>Entity</u>	<u>Authorized Persons</u>
Sole Proprietorship	The individual
Partnership	Any partner
Corporation	Directors, officers, controller, tax manager
Trusts	Fiduciary (Trustee)

When a taxpayer authorizes in writing another person to receive confidential information, sufficient information will be provided so that the correct identity of the receiver can be established. The sales tax registration allows for the merchant to provide identifying information i.e.: driver's license number and social security number.

The best rule to follow in any question of doubt about whether to disclose information is to make no disclosure prior to obtaining guidance from the Revenue Officer.

### **Audit**

Much of the information an accountant acquires in the course of their duties is confidential and must be treated accordingly. It is not within the scope of an accountant's duties or authority to disclose any financial data or other information contained in a tax return, report, or application,

or obtained during an audit. Sales Tax Accountants are responsible for safeguarding sales tax returns and related information in accordance with established procedures.

There are limited circumstances under which an accountant may disclose certain sales tax information. During some audits, it may be necessary to review the records of a third party who is not the subject of the audit. In such cases, the accountant may disclose that they are conducting an audit of a specific taxpayer and must examine certain identified records of the third party. No further information may be shared. Information obtained from examining a successor's records may not be disclosed to the predecessor.

### **Statistical Information**

The Sales Tax Ordinance allows the publication of statistical information, provided it is presented in a way that prevents identification of any specific seller. Such information is made available under the following conditions:

- Data is generated using the Standard Industrial Code (SIC) provided by each seller at the time of registration to collect sales tax.
- Reports are reviewed to ensure that at least four sellers are included within the SIC code category and that the information cannot be used to determine any single seller's activity.
- The Sales Tax Office will not release statistics in other formats, such as "all sellers in a specific mall," "all food stores," or a direct listing of stores.
- Individuals requesting sales tax statistics must provide the relevant SIC code for the data they seek.

### **Publication**

The Sales Tax Ordinance authorizes the publication of sellers who are delinquent in remitting sales tax. Only the sales tax amount due is published; penalties, interest, and late fees are excluded.

Before publication:

- Sellers are notified in writing of the Sales Tax Office's intent to publish.
- At least three notices are mailed to the seller's last known address.
- These notices are included with every invoice, statement, and non-filer letter.

The Revenue Officer compiles the listing of sellers to be published.