# Agreement Regarding the Safeguarding and Confidentiality of Federal and State Tax Information

I understand that in the performance of my official job duties, I may be working with confidential taxpayer information that is protected by state and federal laws. All tax information including returns and return information obtained from any source any by any manner must remain confidential. Virginia Department of Taxation (Virginia Tax) employees, contractors, subcontractors, agents, vendors, and any other third parties to whom taxpayer information is made available cannot disclose or inspect taxpayer information unless pursuant to a job-related “need-to-know” and in compliance with state and federal laws.

## Key Terms

* **Return** – Any tax or information return, declaration of estimated tax, or claim for refund required by, provided for, or permitted under the law
* **Return Information** – Includes a taxpayer’s identity, the nature, source, or amount of income, payments, receipts, deductions, exemptions, credits, assets, liabilities, tax withheld, deficiencies, or other data from a return
* **Disclosure** – Making known to any person, in any manner whatever, a return or return information
* **Unauthorized Disclosure** – Any disclosure of returns or return information not authorized by the Internal Revenue Code, the Code of Virginia, and Virginia Tax
* **Inspect/Browse** – Any examination of a return or return information
* **Unauthorized Inspection/Browsing** – Any examination of returns or return information not authorized by the Internal Revenue Code, the Code of Virginia, and Virginia Tax.

I acknowledge my obligation to safeguard confidential taxpayer information, and I am aware that the penalties associated with unauthorized disclosure or inspection of taxpayer information, including the provisions of the Internal Revenue Code (IRC) and Code of Virginia, extend beyond the expiration of my employment.

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| Row | Citation | Summary |
| 1 | IRC § 6103 | Section 6103 of the Internal Revenue Code requires that federal **returns and return information shall remain confidential** unless disclosure is authorized by a section or subsection of the Internal Revenue Code. |
| 2 | IRC § 7213 | Section 7213 of the Internal Revenue Code makes it unlawful for any person to willfully disclose federal tax return information, as defined in § 6103(b), except as authorized by law. **A violation of this section is a felony punishable by a fine up to $5,000, imprisonment up to 5 years, or both, together with the costs of prosecution.** |
| 3 | IRC § 7213A | Section 7213A of the Internal Revenue Code makes it unlawful for any person to inspect federal tax returns or return information except as authorized by law. **A violation of this section is a misdemeanor punishable by a fine up to $1,000, imprisonment of 1 year, or both, together with the costs of prosecution.** |
| 4 | IRC § 7431 | Section 7431 of the Internal Revenue Code allows a taxpayer to seek **civil damages** against an individual for unauthorized disclosure or inspection of his or her returns or return information. |
| 5 | Code of Virginia § 58.1-3 | Section 58.1-3 of the Code of Virginia provides that tax information, including federal returns and return information required by Virginia law to be included with a Virginia return, is confidential and shall not be disclosed except in accordance with a judicial order or as provided by law. **Any person who violates these provisions shall be guilty of a Class 1 misdemeanor.** |

I agree to promptly report any potential unauthorized disclosures or data breaches to my supervisor and/or Virginia Tax’s Disclosure Officer (disclosureofficer@tax.virginia.gov or 804.404.4029). All such notifications should include, at minimum, the following information: (1) when the disclosure occurred; (2) what type of information was disclosed; (3) who accessed or received the information without proper authorization; (4) how the disclosure occurred; and (5) steps taken to prevent further disclosure(s).

By signing my name below, I am certifying or recertifying that that regulations and penalties that govern confidential taxpayer information have been provided to me and that I agree to comply with those requirements. I understand that failure to follow these regulations may result in termination of employment and civil and/or criminal penalties.

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| Signature: |  | Date: |  |
| Name: (Print) |  | Agency/ Organization/Unit: |  |