

**WEST VIRGINIA
SECRETARY OF STATE
BETTY IRELAND
ADMINISTRATIVE LAW DIVISION**

Form #3

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SECRETARY OF STATE
STATE OF WEST VIRGINIA

**NOTICE OF AGENCY APPROVAL OF A PROPOSED RULE
AND
FILING WITH THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE**

AGENCY: State Tax Department TITLE NUMBER: 110

CITE AUTHORITY W. Va. Code §11-10-5; 5a and 5s

AMENDMENT TO AN EXISTING RULE: YES _____ NO X

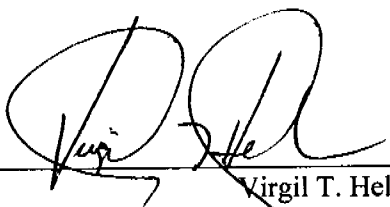
IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 50E

TITLE OF RULE BEING PROPOSED: Exchange of Information Agreement Between the State Tax Division and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit

THE ABOVE PROPOSED LEGISLATIVE RULE HAVING GONE TO A PUBLIC HEARING OR A PUBLIC COMMENT PERIOD IS HEREBY APPROVED BY THE PROMULGATING AGENCY FOR FILING WITH THE SECRETARY OF STATE AND THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE FOR THEIR REVIEW.



Virgil T. Helton
Cabinet Secretary of the Department of Revenue

QUESTIONNAIRE

(Please include a copy of this form with each filing of your rule: Notice of Public Hearing or Comment Period; Proposed Rule, and if needed, Emergency and Modified Rule.)

DATE: August 28, 2008

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: (Agency Name, Address & Phone No.) West Virginia State Tax Department
1001 Lee St. East
Charleston, WV 25301

LEGISLATIVE RULE TITLE: Title 110, 50E

1. Authorizing statute(s) citation W. Va. Code 11-10-5; 5a and 5s

2. a. Date filed in State Register with Notice of Hearing or Public Comment Period:
July 25, 2008

b. What other notice, including advertising, did you give of the hearing?
None.

c. Date of Public Hearing(s) *or* Public Comment Period ended:
August 25, 2008 at 5pm

d. Attach list of persons who appeared at hearing, comments received, amendments, reasons for amendments.
Attached _____ No comments received X

e. Date you filed in State Register the agency approved proposed Legislative Rule following public hearing: (be exact)

f. Name, title, address and **phone/fax/e-mail numbers** of agency person(s) to receive all *written correspondence* regarding this rule: (Please type)

Mark Morton, General Counsel for Revenue Operations

304-558-5330

fax: 304-558-8728

email: MMorton@tax.state.wv.us

g. **IF DIFFERENT FROM ITEM 'f'**, please give Name, title, address and phone number(s) of agency person(s) who wrote and/or has responsibility for the contents of this rule: (Please type)

3. If the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

b. Date of hearing or comment period:

c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

d. Attach findings and determinations and reasons:

Attached

SUMMARY OF TITLE 110, SERIES 50E LEGISLATIVE RULE

The proposed rule will enable the Tax Department and the Department of Health and Human Resources of the Inspector General Medicaid Fraud Control Unit to exchange information as set forth in the Interagency Agreement. The information to be shared will enable the Tax Department to collect taxes on all state income, including income from the illegal proceeds of fraudulent and illegal activity.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULE

Rule Title: Exchange of Information Agreement Between the State Tax Division and The Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit

Type of Rule: Legislative Interpretive Procedural

Agency: State Tax Department
 Address: Legal Division
P.O. Box 1005
Charleston, WV 25324

1. Effect of Proposed Rule

	ANNUAL FISCAL YEAR				
	INCREASE	DECREASE	CURRENT	NEXT	THEREAFTER
<u>ESTIMATED TOTAL COST</u>	-0-	-0-	-0-	-0-	-0-
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-
CURRENT EXPENSE	-0-	-0-	-0-	-0-	-0-
REPAIRS & ALTERNATIONS	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-

2. Explanation of above estimates:

This rule should have no discernable impact on the cost of state government, but has the potential to return an undetermined amount of revenue in the form of the collection of taxes due.

3. Objectives of these rules:

This rule should have no discernable impact on the cost of state government, but has the potential to return an undetermined amount of revenue in the form of the collection of taxes due.

RULE TITLE: Exchange of Information Agreement Between the State Tax Division and The Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

This rule should have no discernible impact on the cost of State Government since it is to permit the Tax Division and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit to share information already collected by both agencies.

B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of Citizens.

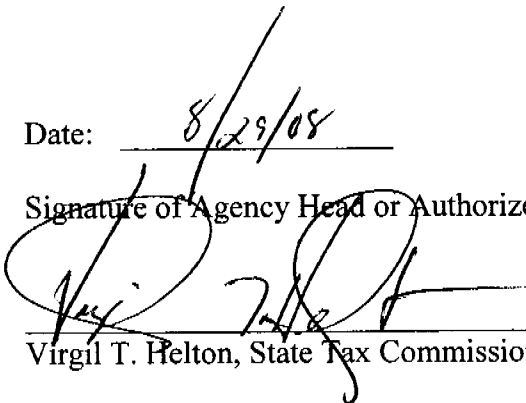
This rule should have no discernible impact on the cost of State Government since it is to permit the Tax Division and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit to share information already collected by both agencies.

C. Economic Impact on Citizens/Public at Large.

This rule should have no discernible impact on the cost of State Government since it is to permit the Tax Division and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit to share information already collected by both agencies.

Date: 8/29/08

Signature of Agency Head or Authorized Representative



Virgil T. Helton, State Tax Commissioner

110CSR50E

**TITLE 110
LEGISLATIVE RULE
STATE TAX COMMISSION**

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SERIES 50E

**EXCHANGE OF INFORMATION AGREEMENT BETWEEN THE STATE TAX
DIVISION AND THE DEPARTMENT OF HEALTH AND HUMAN RESOURCES
OFFICE OF THE INSPECTOR GENERAL MEDICAID FRAUD CONTROL
UNIT**

RECEIVED DATE
STATE OF WEST VIRGINIA

§110-50E-1 General.

1.1. Scope. -- This rule authorizes certain information to be exchanged pursuant to a written interagency agreement between the Tax Division and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit.

1.2. Authority. -- This rule is promulgated under authority of W. Va. Code §§11-10-5; 5a and 5s.

1.3. Filing Date -- _____.

1.4 Effective Date. -- _____.

§110-50D-2. Purposes.

W.Va. Code § 11-10-5s(b)(4) authorizes the West Virginia State Tax Commissioner to promulgate legislative rules regarding a written exchange of information agreement with another State agency if the purpose of the agreement is to facilitate premium collection, tax collection or licensure requirements directly enforced, administered or collected by the other State agency or the Tax Commissioner. Additionally, West Virginia Code § 9-7-3 authorizes the DHHR Secretary, or an employee of the unit designated by the Secretary, to administer oaths or affirmations and issue subpoenas for witnesses and documents concerning the existence of any record, and the identity and location of any persons having any knowledge of any facts for the purpose of investigating fraud and abuse of the Medicaid Program.

§110-50D-3. Disclosure of Certain Information Authorized.

3.1. In accordance with W. Va. Code §11-10-5s(b)(4), the Tax Commissioner and the Department of Health and Human Resources Office of the Inspector General Medicaid Fraud Control Unit may, in order to accomplish the purposes set forth in section two of this rule, exchange information, pursuant to a written agreement specifying the type and manner of information to be exchanged and containing provisions for safeguarding any confidential information received pursuant to the agreement.

3.2. A copy of any exchange of information agreement entered into pursuant to this rule, including any subsequent revision(s) of the agreement, or amendment(s) to the agreement, shall be filed in the State Register at least thirty days before the effective date of the agreement, or any revision or amendment of the agreement, in order to permit an opportunity for public comment.