AMENDED IN SENATE APRIL 25, 2011

SENATE BILL No. 228

Introduced by Senator Wyland

February 9, 2011

~~An act to repeal and amend Section 17053.80 of the Revenue and Taxation Code, relating to taxation.~~ *An act to amend Sections 6757, 7872, 8996, 11496, 19221, 30322, 32363, 38532, 40158, 41124.1, 43413, 45451, 46421, 50123, 55141, and 60445 of the Revenue and Taxation Code, relating to taxation.*

LEGISLATIVE COUNSEL'S DIGEST

SB 228, as amended, Wyland. ~~Income tax: credit: small businesses.~~ *Taxation: state tax liens.*

Existing law requires the payment of taxes, fees, and surcharges that are administered by the State Board of Equalization under the provisions of the Sales and Use Tax Law, Motor Vehicle Fuel Tax Law, Use Fuel Tax Law, Private Railroad Car Tax Law, Cigarette and Tobacco Products Tax Law, Alcoholic Beverage Tax Law, Timber Yield Tax Law, Energy Resources Surcharge Law, Emergency Telephone Users Surcharge Act, Hazardous Substances Tax Law, Integrated Waste Management Fee Law, Oil Spill Response, Prevention, and Administration Fees Law, Underground Storage Tank Maintenance Fee Law, Fee Collection Procedures Law, and Diesel Fuel Tax Law. Existing law requires the payment of taxes that are administered by the Franchise Tax Board under the provisions of the Personal Income Tax Law and the Corporation Tax Law. Existing law also requires a perfected and enforceable state tax lien against any person who fails to pay any amount imposed under these laws when that amount becomes due and payable, but remains unpaid. Existing law requires that this *state tax lien continue in effect for 10 years unless sooner released or discharged, or unless the state tax lien is extended for a further 10-year period.*

This bill would authorize the State Board of Equalization, the Controller, or the Franchise Tax Board to withdraw notice of a state tax lien if the liability that gave rise to the state tax lien, including penalties and interest, is paid in full. This bill would further require that any withdrawn state tax lien be applied as if notice of the state tax lien had not been filed, and require, as specified, written notice of the withdrawal of the state tax lien.

~~The Personal Income Tax Law authorizes various credits against the taxes imposed by those laws, including a credit in an amount equal to $3,000, prorated as provided, for each full-time employee hired during the taxable year by a qualified employer, as defined.~~

~~This bill would repeal a duplicative provision in the Personal Income Tax Law and make a technical, nonsubstantive change in the remaining provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 6757 of the Revenue and Taxation Code is amended to read:

6757. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. The lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 6536 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(c) The lien provided by this section shall not arise during any period that Section 362 of the United States Bankruptcy Code applies to the person against whom the lien would otherwise apply.

(d) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 2. Section 7872 of the Revenue and Taxation Code is amended to read:

7872. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 7698 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(c) (1) The Controller may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A

withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the Controller shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 3. Section 8996 of the Revenue and Taxation Code is amended to read:

8996. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 8826 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 4. Section 11496 of the Revenue and Taxation Code is amended to read:

11496. *(a)* The board may at any time release all or any portion of the property subject to any lien provided for in this part from the lien or subordinate the lien to other liens and encumbrances if it determines that the amount, interest, and penalties are sufficiently secured by a lien on other property or that the release or subordination of the lien will not jeopardize the collection of the amount, interest, and penalties.

(b) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 5. Section 19221 of the Revenue and Taxation Code is amended to read:

19221. (a) If any taxpayer or person fails to pay any liability imposed under Part 10 (commencing with Section 17001) or Part 11 (commencing with Section 23001) at the time that it becomes due and payable, the amount thereof, (including any interest, additional amount, addition to tax, or penalty, together with any costs that may accrue in addition thereto) shall thereupon be a perfected and enforceable state tax lien. This lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts of any liability disclosed on a return filed on or before the date payment is due (with regard to any extension of time to pay), the date the amount is established on the records of the Franchise Tax Board, except that in no case will it be prior to the day after the payment due date;

(2) For amounts of any liability disclosed on a return filed after the date payment is due (with regard to any extension of time to pay), the date the amount is established on the records of the Franchise Tax Board;

(3) For amounts of any liability determined under Section 19081 or 19082 (pertaining to jeopardy assessments), the date the notice of the Franchise Tax Board's finding is mailed or issued;

(4) For all other amounts of liability, the date the assessment is final.

(c) Notwithstanding subdivision (a), during any period that Section 362 of Title 11 of the United States Code applies, any tax lien that would otherwise attach to property by reason of subdivision (a) shall not take effect, unless the tax is a debt of the debtor that will not be discharged in the bankruptcy proceeding and the property or its proceeds are transferred out of the bankruptcy estate to, or otherwise revested in, the debtor.

(d) (1) The Franchise Tax Board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if the notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the Franchise Tax Board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 6. Section 30322 of the Revenue and Taxation Code is amended to read:

30322. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 30241 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 7. Section 32363 of the Revenue and Taxation Code is amended to read:

32363. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 32311 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 8. Section 38532 of the Revenue and Taxation Code is amended to read:

38532. (a) If any amount required to be paid to the state under this part is not paid at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For amounts received under Section 38431 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 9. Section 40158 of the Revenue and Taxation Code is amended to read:

40158. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 10. Section 41124.1 of the Revenue and Taxation Code is amended to read:

41124.1. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 11. Section 43413 of the Revenue and Taxation Code is amended to read:

43413. (a) If any person fails to pay any amount imposed pursuant to this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For amounts determined under Section 43350 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 12. Section 45451 of the Revenue and Taxation Code is amended to read:

45451. (a) If any person fails to pay any amount imposed pursuant to this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. A lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are due and payable on the following dates:

(1) For amounts disclosed on a report received by the board before the date the return is delinquent, the date the amount would have been due and payable.

(2) For amounts disclosed on a report filed on or after the date the return is delinquent, the date the return is received by the board or the year following the fee due date pursuant to Section 45151, whichever is later.

(3) For amounts determined under Section 45351, pertaining to jeopardy assessments, the date the notice of the board's finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien

had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 13. Section 46421 of the Revenue and Taxation Code is amended to read:

46421. (a) If any person fails to pay any amount imposed pursuant to this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable lien. The lien shall be subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are “due and payable” on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the amount would have been due and payable.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For amounts determined under Section 46301 pertaining to jeopardy assessments, the date the notice of the board’s finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any

financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 14. Section 50123 of the Revenue and Taxation Code is amended to read:

50123. *(a)* If any person fails to pay any amount imposed pursuant to this part at the time that it becomes due and payable, the amount, including interest and penalties, together with any costs in addition to the amount, are a perfected and enforceable state tax lien which is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 15. Section 55141 of the Revenue and Taxation Code is amended to read:

55141. (a) If any person fails to pay any amount imposed pursuant to this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. Such a lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are “due and payable” on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For amounts determined under Section 55101, the date the notice of the board’s finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

SEC. 16. Section 60445 of the Revenue and Taxation Code is amended to read:

60445. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien. That lien is subject to Chapter 14 (commencing with Section 7150) of Division 7 of Title 1 of the Government Code.

(b) For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent.

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board.

(3) For amounts determined under Section 60330 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued.

(4) For all other amounts, the date the assessment is final.

(c) (1) The board may withdraw notice of a state tax lien, and the withdrawal shall be applied as if notice of the state tax lien had not been filed, if the liability represented by the state tax lien, including any interest and penalty, is paid in full. A withdrawal shall be made by filing a notice of withdrawal at the same office in which the notice of state tax lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(2) Upon written request by the taxpayer with respect to whom a notice of a state tax lien was withdrawn, the board shall make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address are specified in that request, of the withdrawal of the notice.

All matter omitted in this version of the bill appears in the bill as introduced in the Senate, February 9, 2011. (JR11)

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