

104TH CONGRESS
1ST SESSION

H. R. 390

To amend the Internal Revenue Code of 1986 to provide that the burden of proof shall be on the Secretary of the Treasury in all tax cases, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

Mr. TRAFICANT introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide that the burden of proof shall be on the Secretary of the Treasury in all tax cases, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. BURDEN OF PROOF.**

4 (a) GENERAL RULE.—Chapter 77 of the Internal
5 Revenue Code of 1986 (relating to miscellaneous provi-
6 sions) is amended by adding at the end thereof the follow-
7 ing new section:

1 **“SEC. 7524. BURDEN OF PROOF.**

2 “Notwithstanding any other provision of this title, in
3 the case of any court proceeding, the burden of proof with
4 respect to all issues shall be upon the Secretary.”

5 (b) CLERICAL AMENDMENT.—The table of sections
6 for chapter 77 of such Code is amended by adding at the
7 end thereof the following new item:

“Sec. 7524. Burden of proof.”

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on the date of the enactment
10 of this Act.

11 **SEC. 2. SECRETARY OF THE TREASURY REQUIRED TO**
12 **SPECIFY, ON REQUEST, REGULATIONS IMPLE-**
13 **MENTING SPECIFIC TAXES.**

14 (a) IN GENERAL.—Section 6001 of the Internal Rev-
15 enue Code of 1986 (relating to notice or regulations re-
16 quiring records, statements, and specific returns) is
17 amended by inserting “(a) IN GENERAL.—” at the begin-
18 ning of the first sentence and by adding at the end the
19 following new subsection:

20 “(b) REQUESTS FOR IDENTIFICATION OF IMPLE-
21 MENTING REGULATIONS.—The Secretary shall identify in
22 writing the specific kind or type of tax, and its specific
23 implementing regulations within 14 days, upon the written
24 request from any person made liable for the payment of
25 any tax under this title.”

1 (b) CONFORMING AMENDMENT.—Subsection (a) of
2 section 6001 of such Code, as redesignated by subsection
3 (a), is amended—

4 (1) by striking “any tax” in the first sentence
5 and inserting “any kind or type of tax”, and

6 (2) by striking “he may require” in the second
7 sentence and inserting “he shall require”.

8 **SEC. 3. INCREASE IN LIMIT ON RECOVERY OF CIVIL DAM-**
9 **AGES FOR UNAUTHORIZED COLLECTION AC-**
10 **TIONS; EXCLUSION OF SUCH DAMAGES FROM**
11 **INCOME.**

12 (a) INCREASE IN LIMIT.—Subsection (b) of section
13 7433 of the Internal Revenue Code of 1986 (relating to
14 damages) is amended by striking “\$100,000” and insert-
15 ing “\$1,000,000”.

16 (b) EXCLUSION FROM INCOME.—Section 7433 of
17 such Code is amended by adding at the end the following
18 new subsection:

19 “(e) EXCLUSION OF DAMAGES FROM INCOME.—
20 Damages awarded under this section shall be excluded
21 from gross income under this title.”

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to actions by officers or employees

1 of the Internal Revenue Service after the date of the en-
2 actment of this Act.

