

105TH CONGRESS
2D SESSION

H. R. 3277

To amend the Internal Revenue Code of 1986 to require 15 days notice and judicial consent before seizure and to exclude civil damages for unauthorized collection actions from income.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1998

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 require 15 days notice and judicial consent before seizure and to exclude civil damages for unauthorized collection actions from income.

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. REQUIREMENT OF 15 DAYS NOTICE AND**
4 **JUDICIAL CONSENT BEFORE SEIZURE.**

5 (a) 15-DAY NOTICE REQUIREMENT.—Subsection (a)
6 of section 6331 of the Internal Revenue Code of 1986 is
7 amended—

1 (1) in the first sentence, by striking “10 days”
2 and inserting “15 days”, and

3 (2) in the last sentence, by striking “10-day pe-
4 riod” and inserting “15-day period”.

5 (b) JUDICIAL CONSENT.—

6 (1) Subchapter D of chapter 64 of such Code
7 is amended by redesignating section 6344 as section
8 6345 and by inserting after section 6343 the follow-
9 ing new section:

10 **“SEC. 6344. JUDICIAL CONSENT REQUIRED.**

11 “Notwithstanding any other provision of law, the Sec-
12 retary may not collect any tax (or other sum) under this
13 subchapter by levy without judicial consent.”.

14 (2) CLERICAL AMENDMENT.—The table of sec-
15 tions for subchapter D of chapter 64 of such Code
16 is amended by striking the item relating to section
17 6344 and inserting the following new items:

 “Sec. 6344. Judicial consent required.

 “Sec. 6345. Cross references.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxes due for taxable years be-
20 ginning after the date of the enactment of this Act.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR CIVIL**
2 **DAMAGES FOR UNAUTHORIZED COLLECTION**
3 **ACTIONS.**

4 (a) **IN GENERAL.**—Section 7433 of the Internal Rev-
5 enue Code of 1986 is amended by adding at the end the
6 following new subsection:

7 “(e) **EXCLUSION OF DAMAGES FROM INCOME.**—
8 Damages awarded under this section shall be excluded
9 from gross income under this title.”.

10 (b) **EFFECTIVE DATE.**—The amendment made by
11 this section shall apply to actions by officers or employees
12 of the Internal Revenue Service after the date of the en-
13 actment of this Act.

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