

Calendar No. 37

114TH CONGRESS
1ST SESSION**S. 903****[Report No. 114–14]**

To amend the Internal Revenue Code of 1986 to improve access and
administration of the United States Tax Court.

IN THE SENATE OF THE UNITED STATES

APRIL 14, 2015

Mr. HATCH, from the Committee on Finance, reported the following original
bill; which was read twice and placed on the calendar

A BILL

To amend the Internal Revenue Code of 1986 to improve
access and administration of the United States Tax Court.

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. AMENDMENT OF 1986 CODE; TABLE OF CON-**
4 **TENTS.**

5 (a) AMENDMENT OF 1986 CODE.—Except as other-
6 wise expressly provided, whenever in this Act an amend-
7 ment or repeal is expressed in terms of an amendment
8 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-
 2 sion of the Internal Revenue Code of 1986.

3 (b) TABLE OF CONTENTS.—The table of contents of
 4 this Act is as follows:

Sec. 1. Amendment of 1986 Code; table of contents.

TITLE I—TAXPAYER ACCESS TO UNITED STATES TAX COURT

Sec. 101. Filing period for interest abatement cases.

Sec. 102. Small tax case election for interest abatement cases.

Sec. 103. Venue for appeal of spousal relief and collection cases.

Sec. 104. Suspension of running of period for filing petition of spousal relief
 and collection cases.

Sec. 105. Application of Federal rules of evidence.

TITLE II—UNITED STATES TAX COURT ADMINISTRATION

Sec. 201. Judicial conduct and disability procedures.

Sec. 202. Administration, judicial conference, and fees.

TITLE III—CLARIFICATION RELATING TO UNITED STATES TAX COURT

Sec. 301. Clarification relating to United States Tax Court.

5 **TITLE I—TAXPAYER ACCESS TO** 6 **UNITED STATES TAX COURT**

7 **SEC. 101. FILING PERIOD FOR INTEREST ABATEMENT** 8 **CASES.**

9 (a) IN GENERAL.—Subsection (h) of section 6404 is
 10 amended—

11 (1) by striking “REVIEW OF DENIAL” in the
 12 heading and inserting “JUDICIAL REVIEW”, and

13 (2) by striking “if such action is brought” and
 14 all that follows in paragraph (1) and inserting “if
 15 such action is brought—

16 “(A) at any time after the earlier of—

1 “(i) the date of the mailing of the
 2 Secretary’s final determination not to
 3 abate such interest, or

4 “(ii) the date which is 180 days after
 5 the date of the filing with the Secretary (in
 6 such form as the Secretary may prescribe)
 7 of a claim for abatement under this sec-
 8 tion, and

9 “(B) not later than the date which is 180
 10 days after the date described in subparagraph
 11 (A)(i).”.

12 (b) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to claims for abatement of interest
 14 filed with the Secretary of the Treasury after the date of
 15 the enactment of this Act.

16 **SEC. 102. SMALL TAX CASE ELECTION FOR INTEREST**
 17 **ABATEMENT CASES.**

18 (a) IN GENERAL.—Subsection (f) of section 7463 is
 19 amended—

20 (1) by striking “and” at the end of paragraph
 21 (1),

22 (2) by striking the period at the end of para-
 23 graph (2) and inserting “, and”, and

24 (3) by adding at the end the following new
 25 paragraph:

1 “(3) a petition to the Tax Court under section
 2 6404(h) in which the amount of the abatement
 3 sought does not exceed \$50,000.”.

4 (b) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply to cases pending as of the day after
 6 the date of the enactment of this Act, and cases com-
 7 menced after such date of enactment.

8 **SEC. 103. VENUE FOR APPEAL OF SPOUSAL RELIEF AND**
 9 **COLLECTION CASES.**

10 (a) IN GENERAL.—Paragraph (1) of section 7482(b)
 11 is amended—

12 (1) by striking “or” at the end of subparagraph
 13 (E),

14 (2) by striking the period at the end of sub-
 15 paragraph (F) and inserting a comma, and

16 (3) by inserting after subparagraph (F) the fol-
 17 lowing new subparagraphs:

18 “(G) in the case of a petition under section
 19 6015(e), the legal residence of the petitioner, or

20 “(H) in the case of a petition under sec-
 21 tion 6320 or 6330—

22 “(i) the legal residence of the peti-
 23 tioner if the petitioner is an individual, and

1 “(ii) the principal place of business or
 2 principal office or agency if the petitioner
 3 is an entity other than an individual.”.

4 (b) EFFECTIVE DATE.—

5 (1) IN GENERAL.—The amendments made by
 6 this section shall apply to petitions filed after the
 7 date of enactment of this Act.

8 (2) EFFECT ON EXISTING PROCEEDINGS.—
 9 Nothing in this section shall be construed to create
 10 any inference with respect to the application of sec-
 11 tion 7482 of the Internal Revenue Code of 1986
 12 with respect to court proceedings filed on or before
 13 the date of the enactment of this Act.

14 **SEC. 104. SUSPENSION OF RUNNING OF PERIOD FOR FIL-**
 15 **ING PETITION OF SPOUSAL RELIEF AND COL-**
 16 **LECTION CASES.**

17 (a) PETITIONS FOR SPOUSAL RELIEF.—

18 (1) IN GENERAL.—Subsection (e) of section
 19 6015 is amended by adding at the end the following
 20 new paragraph:

21 “(6) SUSPENSION OF RUNNING OF PERIOD FOR
 22 FILING PETITION IN TITLE 11 CASES.—In the case
 23 of a person who is prohibited by reason of a case
 24 under title 11, United States Code, from filing a pe-
 25 tition under paragraph (1)(A) with respect to a final

determination of relief under this section, the running of the period prescribed by such paragraph for filing such a petition with respect to such final determination shall be suspended for the period during which the person is so prohibited from filing such a petition, and for 60 days thereafter.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to petitions filed under section 6015(e) of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

(b) COLLECTION PROCEEDINGS.—

(1) IN GENERAL.—Subsection (d) of section 6330 is amended—

(A) by striking “appeal such determination to the Tax Court” in paragraph (1) and inserting “petition the Tax Court for review of such determination”,

(B) by striking “JUDICIAL REVIEW OF DETERMINATION” in the heading of paragraph (1) and inserting “PETITION FOR REVIEW BY TAX COURT”,

(C) by redesignating paragraph (2) as paragraph (3), and

(D) by inserting after paragraph (1) the following new paragraph:

1 “(2) SUSPENSION OF RUNNING OF PERIOD FOR
 2 FILING PETITION IN TITLE 11 CASES.—In the case
 3 of a person who is prohibited by reason of a case
 4 under title 11, United States Code, from filing a pe-
 5 tition under paragraph (1) with respect to a deter-
 6 mination under this section, the running of the pe-
 7 riod prescribed by such subsection for filing such a
 8 petition with respect to such determination shall be
 9 suspended for the period during which the person is
 10 so prohibited from filing such a petition, and for 30
 11 days thereafter, and”.

12 (2) EFFECTIVE DATE.—The amendments made
 13 by this subsection shall apply to petitions filed under
 14 section 6330 of the Internal Revenue Code of 1986
 15 after the date of the enactment of this Act.

16 (c) CONFORMING AMENDMENT.—Subsection (c) of
 17 section 6320 is amended by striking “(2)(B)” and insert-
 18 ing “(3)(B)”.

19 **SEC. 105. APPLICATION OF FEDERAL RULES OF EVIDENCE.**

20 (a) IN GENERAL.—Section 7453 is amended by strik-
 21 ing “the rules of evidence applicable in trials without a
 22 jury in the United States District Court of the District
 23 of Columbia” and inserting “the Federal Rules of Evi-
 24 dence”.

1 (b) EFFECTIVE DATE.—The amendment made by
 2 this section shall apply to proceedings commenced after
 3 the date of the enactment of this Act and, to the extent
 4 that it is just and practicable, to all proceedings pending
 5 on such date.

6 **TITLE II—UNITED STATES TAX** 7 **COURT ADMINISTRATION**

8 **SEC. 201. JUDICIAL CONDUCT AND DISABILITY PROCE-** 9 **DURES.**

10 (a) IN GENERAL.—Part II of subchapter C of chap-
 11 ter 76 is amended by adding at the end the following new
 12 section:

13 **“SEC. 7466. JUDICIAL CONDUCT AND DISABILITY PROCE-** 14 **DURES.**

15 “(a) IN GENERAL.—The Tax Court shall prescribe
 16 rules, consistent with the provisions of chapter 16 of title
 17 28, United States Code, establishing procedures for the
 18 filing of complaints with respect to the conduct of any
 19 judge or magistrate judge of the Tax Court and for the
 20 investigation and resolution of such complaints. In inves-
 21 tigating and taking action with respect to any such com-
 22 plaint, the Tax Court shall have the powers granted to
 23 a judicial council under such chapter.

24 “(b) JUDICIAL COUNCIL.—The provisions of sections
 25 354(b) through 360 of title 28, United States Code, re-

1 garding referral or certification to, and petition for review
2 in the Judicial Conference of the United States, and action
3 thereon, shall apply to the exercise by the Tax Court of
4 the powers of a judicial council under subsection (a). The
5 determination pursuant to section 354(b) or 355 of title
6 28, United States Code, shall be made based on the
7 grounds for removal of a judge from office under section
8 7443(f), and certification and transmittal by the Con-
9 ference of any complaint shall be made to the President
10 for consideration under section 7443(f).

11 “(c) HEARINGS.—

12 “(1) IN GENERAL.—In conducting hearings
13 pursuant to subsection (a), the Tax Court may exer-
14 cise the authority provided under section 1821 of
15 title 28, United States Code, to pay the fees and al-
16 lowances described in that section.

17 “(2) REIMBURSEMENT FOR EXPENSES.—The
18 Tax Court shall have the power provided under sec-
19 tion 361 of such title 28 to award reimbursement for
20 the reasonable expenses described in that section.
21 Reimbursements under this paragraph shall be made
22 out of any funds appropriated for purposes of the
23 Tax Court.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 for part II of subchapter C of chapter 76 is amended by
 3 adding at the end the following new item:

“Sec. 7466. Judicial conduct and disability procedures.”.

4 (c) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply to proceedings commenced after
 6 the date which is 180 days after the date of the enactment
 7 of this Act and, to the extent just and practicable, all pro-
 8 ceedings pending on such date.

9 **SEC. 202. ADMINISTRATION, JUDICIAL CONFERENCE, AND**
 10 **FEEES.**

11 (a) IN GENERAL.—Part III of subchapter C of chap-
 12 ter 76 is amended by inserting before section 7471 the
 13 following new sections:

14 **“SEC. 7470. ADMINISTRATION.**

15 “Notwithstanding any other provision of law, the Tax
 16 Court may exercise, for purposes of management, adminis-
 17 tration, and expenditure of funds of the Court, the au-
 18 thorities provided for such purposes by any provision of
 19 law (including any limitation with respect to such provi-
 20 sion of law) applicable to a court of the United States (as
 21 that term is defined in section 451 of title 28, United
 22 States Code), except to the extent that such provision of
 23 law is inconsistent with a provision of this subchapter.

1 **“SEC. 7470A. JUDICIAL CONFERENCE.**

2 “(a) JUDICIAL CONFERENCE.—The chief judge may
3 summon the judges and magistrate judges of the Tax
4 Court to an annual judicial conference, at such time and
5 place as the chief judge shall designate, for the purpose
6 of considering the business of the Tax Court and recom-
7 mending means of improving the administration of justice
8 within the jurisdiction of the Tax Court. The Tax Court
9 shall provide by its rules for representation and active par-
10 ticipation at such conferences by persons admitted to prac-
11 tice before the Tax Court and by other persons active in
12 the legal profession.

13 “(b) REGISTRATION FEE.—The Tax Court may im-
14 pose a reasonable registration fee on persons (other than
15 judges and magistrate judges of the Tax Court) partici-
16 pating at judicial conferences convened pursuant to sub-
17 section (a). Amounts so received by the Tax Court shall
18 be available to the Tax Court to defray the expenses of
19 such conferences.”.

20 (b) DISPOSITION OF FEES.—Section 7473 is amend-
21 ed to read as follows:

22 **“SEC. 7473. DISPOSITION OF FEES.**

23 “Except as provided in sections 7470A and 7475, all
24 fees received by the Tax Court pursuant to this title shall
25 be deposited into a special fund of the Treasury to be

1 available to offset funds appropriated for the operation
 2 and maintenance of the Tax Court.”.

3 (c) CLERICAL AMENDMENTS.—The table of sections
 4 for part III of subchapter C of chapter 76 is amended
 5 by inserting before the item relating to section 7471 the
 6 following new items:

“Sec. 7470. Administration.

“Sec. 7470A. Judicial conference.”.

7 **TITLE III—CLARIFICATION RE-**
 8 **LATING TO UNITED STATES**
 9 **TAX COURT**

10 **SEC. 301. CLARIFICATION RELATING TO UNITED STATES**

11 **TAX COURT.**

12 Section 7441 is amended by adding at the end the
 13 following: “The Tax Court is not an agency of, and shall
 14 be independent of, the executive branch of the Govern-
 15 ment.”.

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