

115TH CONGRESS
2D SESSION

H. R. 5444

IN THE SENATE OF THE UNITED STATES

APRIL 19, 2018

Received; read twice and referred to the Committee on Finance

AN ACT

To amend the Internal Revenue Code of 1986 to modernize and improve the Internal Revenue Service, to amend the Internal Revenue Code of 1986 to make permanent the Volunteer Income Tax Assistance matching grant program, to require the Secretary of the Treasury to establish a program for the issuance of identity protection personal identification numbers, to amend the Internal Revenue Code of 1986 to allow officers and employees of the Department of the Treasury to provide to taxpayers information regarding low-income taxpayer clinics, to provide for a single point of contact at the Internal Revenue Service for the taxpayers who are victims of tax-related identity theft, to require notice from

the Secretary of the Treasury in the case of any closure of a Taxpayer Assistance Center, to amend the Internal Revenue Code of 1986 to require electronic filing of the annual returns of exempt organizations and provide for making such returns available for public inspection, to amend the Internal Revenue Code of 1986 to improve cybersecurity and taxpayer identity protection, and modernize the information technology of the Internal Revenue Service, to amend the Internal Revenue Code of 1986 to restrict the immediate sale of seized property by the Secretary of the Treasury to perishable goods, 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. ORGANIZATION OF ACT INTO DIVISIONS; TABLE**
 4 **OF CONTENTS.**

5 (a) DIVISIONS.—This Act is organized into nine divi-
 6 sions as follows:

7 (1) Division A—Taxpayer First Act.

8 (2) Division B—Return Preparation programs
 9 for Low-Income Taxpayers.

10 (3) Division C—Identity Protection Personal
 11 Identification Numbers.

12 (4) Division D—Provision of Information Re-
 13 garding Low-Income Taxpayer Clinics.

14 (5) Division E—Single Point of Contact for
 15 Tax-Related Identity Theft Victims.

1 (6) Division F—Notice From IRS Regarding
2 Closure of Taxpayer Assistance Center.

3 (7) Division G—Mandatory Electronic Filing
4 for Annual Returns of Exempt Organizations.

5 (8) Division H—21st Century IRS Act.

6 (9) Division I—Rules for Seizure and Sale of
7 Perishable Goods Restricted to Only Perishable
8 Goods.

9 (b) TABLE OF CONTENTS.—The table of contents for
10 this Act is as follows:

Sec. 1. Organization of Act into divisions; table of contents.

DIVISION A—TAXPAYER FIRST ACT

Sec. 10001. Short title; etc.

TITLE I—INDEPENDENT APPEALS PROCESS

Sec. 11101. Establishment of Internal Revenue Service Independent Office of Appeals.

TITLE II—IMPROVED SERVICE

Sec. 11201. Comprehensive customer service strategy.

Sec. 11202. IRS Free File Program.

Sec. 11203. Low-income exception for payments otherwise required in connection with a submission of an offer-in-compromise.

TITLE III—SENSIBLE ENFORCEMENT

Sec. 11301. Internal Revenue Service seizure requirements with respect to structuring transactions.

Sec. 11302. Exclusion of interest received in action to recover property seized by the Internal Revenue Service based on structuring transaction.

Sec. 11303. Clarification of equitable relief from joint liability.

Sec. 11304. Modification of procedures for issuance of third-party summons.

Sec. 11305. Establishment of income threshold for referral to private debt collection.

Sec. 11306. Reform of notice of contact of third parties.

Sec. 11307. Modification of authority to issue designated summons.

Sec. 11308. Limitation on access of non-Internal Revenue Service employees to returns and return information.

TITLE IV—ORGANIZATIONAL MODERNIZATION

- Sec. 11401. Modification of title of Commissioner of Internal Revenue and related officials.
- Sec. 11402. Office of the National Taxpayer Advocate.
- Sec. 11403. Elimination of IRS Oversight Board.
- Sec. 11404. Modernization of Internal Revenue Service organizational structure.

TITLE V—TAX COURT

- Sec. 11501. Disqualification of judge or magistrate judge of the Tax Court.
- Sec. 11502. Opinions and judgments.
- Sec. 11503. Title of special trial judge changed to magistrate judge of the Tax Court.
- Sec. 11504. Repeal of deadwood related to Board of Tax Appeals.

DIVISION B—RETURN PREPARATION PROGRAMS FOR LOW-INCOME TAXPAYERS

- Sec. 12001. Return preparation programs for low-income taxpayers.

DIVISION C—IDENTITY PROTECTION PERSONAL IDENTIFICATION NUMBERS

- Sec. 13001. Identity protection personal identification numbers.

DIVISION D—PROVISION OF INFORMATION REGARDING LOW-INCOME TAXPAYER CLINICS

- Sec. 14001. Provision of information regarding low-income taxpayer clinics.

DIVISION E—SINGLE POINT OF CONTACT FOR TAX-RELATED IDENTITY THEFT VICTIMS

- Sec. 15001. Single point of contact for tax-related identity theft victims.

DIVISION F—NOTICE FROM IRS REGARDING CLOSURE OF TAXPAYER ASSISTANCE CENTER

- Sec. 16001. Notice from IRS regarding closure of taxpayer assistance centers.

DIVISION G—MANDATORY ELECTRONIC FILING FOR ANNUAL RETURNS OF EXEMPT ORGANIZATIONS

- Sec. 17001. Mandatory electronic filing for annual returns of exempt organizations.

DIVISION H—21ST CENTURY IRS ACT

- Sec. 18001. Short title; etc.

TITLE I—CYBERSECURITY AND IDENTITY PROTECTION

- Sec. 18101. Public-private partnership to address identity theft refund fraud.
- Sec. 18102. Recommendations of Electronic Tax Administration Advisory Committee regarding identity theft refund fraud.
- Sec. 18103. Information sharing and analysis center.
- Sec. 18104. Compliance by contractors with confidentiality safeguards.
- Sec. 18105. Report on electronic payments.

TITLE II—DEVELOPMENT OF INFORMATION TECHNOLOGY

Sec. 11101. Establishment of Internal Revenue Service Independent Office of Appeals.

TITLE II—IMPROVED SERVICE

Sec. 11201. Comprehensive customer service strategy.
 Sec. 11202. IRS Free File Program.
 Sec. 11203. Low-income exception for payments otherwise required in connection with a submission of an offer-in-compromise.

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Sec. 11301. Internal Revenue Service seizure requirements with respect to structuring transactions.
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1 **TITLE I—INDEPENDENT**
 2 **APPEALS PROCESS**
 3 **SEC. 11101. ESTABLISHMENT OF INTERNAL REVENUE SERV-**
 4 **ICE INDEPENDENT OFFICE OF APPEALS.**

5 (a) IN GENERAL.—Section 7803 is amended by add-
 6 ing at the end the following new subsection:

7 “(e) INDEPENDENT OFFICE OF APPEALS.—

1 “(1) ESTABLISHMENT.—There is established in
2 the Internal Revenue Service an office to be known
3 as the ‘Internal Revenue Service Independent Office
4 of Appeals’.

5 “(2) CHIEF OF APPEALS.—

6 “(A) IN GENERAL.—The Internal Revenue
7 Service Independent Office of Appeals shall be
8 under the supervision and direction of an offi-
9 cial to be known as the ‘Chief of Appeals’. The
10 Chief of Appeals shall report directly to the Ad-
11 ministrator of the Internal Revenue Service and
12 shall be entitled to compensation at the same
13 rate as the highest rate of basic pay established
14 for the Senior Executive Service under section
15 5382 of title 5, United States Code.

16 “(B) APPOINTMENT.—The Chief of Ap-
17 peals shall be appointed by the Administrator of
18 the Internal Revenue Service without regard to
19 the provisions of title 5, United States Code, re-
20 lating to appointments in the competitive serv-
21 ice or the Senior Executive Service.

22 “(C) QUALIFICATIONS.—An individual ap-
23 pointed under subparagraph (B) shall have ex-
24 perience and expertise in—

1 “(i) administration of, and compliance
2 with, Federal tax laws,

3 “(ii) a broad range of compliance
4 cases, and

5 “(iii) management of large service or-
6 ganizations.

7 “(3) PURPOSES AND DUTIES OF OFFICE.—It
8 shall be the function of the Internal Revenue Service
9 Independent Office of Appeals to resolve Federal tax
10 controversies without litigation on a basis which—

11 “(A) is fair and impartial to both the Gov-
12 ernment and the taxpayer,

13 “(B) promotes a consistent application and
14 interpretation of, and voluntary compliance
15 with, the Federal tax laws, and

16 “(C) enhances public confidence in the in-
17 tegrity and efficiency of the Internal Revenue
18 Service.

19 “(4) RIGHT OF APPEAL.—The resolution proc-
20 ess described in paragraph (3) shall be generally
21 available to all taxpayers.

22 “(5) LIMITATION ON DESIGNATION OF CASES
23 AS NOT ELIGIBLE FOR REFERRAL TO INDEPENDENT
24 OFFICE OF APPEALS.—

1 “(A) IN GENERAL.—If any taxpayer which
2 is in receipt of notice of deficiency authorized
3 under section 6212 requests referral to the In-
4 ternal Revenue Service Independent Office of
5 Appeals and such request is denied, the Admin-
6 istrator of the Internal Revenue Service shall
7 provide such taxpayer a written notice which—

8 “(i) provides a detailed description of
9 the facts involved, the basis for the deci-
10 sion to deny the request, and a detailed ex-
11 planation of how the basis of such decision
12 applies to such facts, and

13 “(ii) describes the procedures pro-
14 scribed under subparagraph (C) for pro-
15 testing the decision to deny the request.

16 “(B) REPORT TO CONGRESS.—The Admin-
17 istrator of the Internal Revenue Service shall
18 submit a written report to Congress on an an-
19 nual basis which includes the number of re-
20 quests described in subparagraph (A) which
21 were denied and the reasons (described by cat-
22 egory) that such requests were denied.

23 “(C) PROCEDURES FOR PROTESTING DE-
24 NIAL OF REQUEST.—The Administrator of the
25 Internal Revenue Service shall prescribe proce-

1 dures for protesting to the Administrator of the
2 Internal Revenue Service (personally and not
3 through any delegate) a denial of a request de-
4 scribed in subparagraph (A).

5 “(D) NOT APPLICABLE TO FRIVOLOUS PO-
6 SITIONS.—This paragraph shall not apply to a
7 request for referral to the Internal Revenue
8 Service Independent Office of Appeals which is
9 denied on the basis that the issue involved is a
10 frivolous position (within the meaning of section
11 6702(c)).

12 “(6) STAFF.—

13 “(A) IN GENERAL.—All personnel in the
14 Internal Revenue Service Independent Office of
15 Appeals shall report to the Chief of Appeals.

16 “(B) ACCESS TO STAFF OF OFFICE OF
17 THE CHIEF COUNSEL.—The Chief of Appeals
18 shall have authority to obtain legal assistance
19 and advice from the staff of the Office of the
20 Chief Counsel. The Chief Counsel shall ensure
21 that such assistance and advice is provided by
22 staff of the Office of the Chief Counsel who
23 were not involved in the case with respect to
24 which such assistance and advice is sought and

1 who are not involved in preparing such case for
2 litigation.

3 “(7) ACCESS TO CASE FILES.—

4 “(A) IN GENERAL.—In the case of any
5 specified taxpayer with respect to which a con-
6 ference with the Internal Revenue Service Inde-
7 pendent Office of Appeals has been scheduled,
8 the Chief of Appeals shall ensure that such tax-
9 payer is provided access to the nonprivileged
10 portions of the case file on record regarding the
11 disputed issues (other than documents provided
12 by the taxpayer to the Internal Revenue Serv-
13 ice) not later than 10 days before the date of
14 such conference.

15 “(B) TAXPAYER ELECTION TO EXPEDITE
16 CONFERENCE.—If the taxpayer so elects, sub-
17 paragraph (A) shall be applied by substituting
18 ‘the date of such conference’ for ‘10 days before
19 the date of such conference’.

20 “(C) SPECIFIED TAXPAYER.—For pur-
21 poses of this paragraph—

22 “(i) IN GENERAL.—The term ‘speci-
23 fied taxpayer’ means—

24 “(I) in the case of any taxpayer
25 who is a natural person, a taxpayer

1 whose adjusted gross income does not
2 exceed \$400,000, and

3 “(II) in the case of any other
4 taxpayer, a taxpayer whose gross re-
5 ceipts do not exceed \$5,000,000.

6 “(ii) AGGREGATION RULE.—Rules
7 similar to the rules of section 448(c)(2)
8 shall apply for purposes of clause (i)(II).”.

9 (b) CONFORMING AMENDMENTS.—

10 (1) The following provisions are each amended
11 by striking “Internal Revenue Service Office of Ap-
12 peals” and inserting “Internal Revenue Service
13 Independent Office of Appeals”:

14 (A) Section 6015(c)(4)(B)(ii)(I).

15 (B) Section 6320(b)(1).

16 (C) Subsections (b)(1) and (d)(3) of sec-
17 tion 6330.

18 (D) Section 6603(d)(3)(B).

19 (E) Section 6621(c)(2)(A)(i).

20 (F) Section 7122(e)(2).

21 (G) Subsections (a), (b)(1), (b)(2), and
22 (c)(1) of section 7123.

23 (H) Subsections (c)(7)(B)(i, and (g)(2)(A)
24 of section 7430.

25 (I) Section 7522(b)(3).

1 (J) Section 7612(c)(2)(A).

2 (2) Section 7430(c)(2) is amended by striking
3 “Internal Revenue Service Office of Appeals” each
4 place it appears and inserting “Internal Revenue
5 Service Independent Office of Appeals”.

6 (3) The heading of section 6330(d)(3) is
7 amended by inserting “INDEPENDENT” after “IRS”.

8 (c) OTHER REFERENCES.—Any reference in any pro-
9 vision of law, or regulation or other guidance, to the Inter-
10 nal Revenue Service Office of Appeals shall be treated as
11 a reference to the Internal Revenue Service Independent
12 Office of Appeals.

13 (d) SAVINGS PROVISIONS.—Rules similar to the rules
14 of paragraphs (2) through (6) of section 1001(b) of the
15 Internal Revenue Service Restructuring and Reform Act
16 of 1998 shall apply for purposes of this section (and the
17 amendments made by this section).

18 (e) EFFECTIVE DATE.—

19 (1) IN GENERAL.—Except as otherwise pro-
20 vided in this subsection, the amendments made by
21 this section shall take effect on the date of the en-
22 actment of this Act.

23 (2) ACCESS TO CASE FILES.—Section
24 7803(e)(7) of the Internal Revenue Code of 1986, as
25 added by subsection (a), shall apply to conferences

1 occurring after the date which is 1 year after the
2 date of the enactment of this Act.

3 **TITLE II—IMPROVED SERVICE**

4 **SEC. 11201. COMPREHENSIVE CUSTOMER SERVICE STRAT-** 5 **EGY.**

6 (a) IN GENERAL.—Not later than the date which is
7 1 year after the date of the enactment of this Act, the
8 Secretary of the Treasury, after consultation with the Na-
9 tional Taxpayer Advocate, shall submit to Congress a writ-
10 ten comprehensive customer service strategy for the Inter-
11 nal Revenue Service. Such strategy shall include—

12 (1) a plan to provide assistance to taxpayers
13 that is secure, designed to meet reasonable taxpayer
14 expectations, and adopts appropriate best practices
15 of customer service provided in the private sector,
16 including online services, telephone call back serv-
17 ices, and training of employees providing customer
18 services,

19 (2) a thorough assessment of the services that
20 the Internal Revenue Service can co-locate with
21 other Federal services or offer as self-service op-
22 tions,

23 (3) proposals to improve Internal Revenue Serv-
24 ice customer service in the short term (the current
25 and following fiscal year), medium term (approx-

1 mately 3 to 5 fiscal years), and long term (approx-
2 mately 10 fiscal years),

3 (4) a plan to update guidance and training ma-
4 terials for customer service employees of the Internal
5 Revenue Service, including the Internal Revenue
6 Manual, to reflect such strategy, and

7 (5) identified metrics and benchmarks for quan-
8 titatively measuring the progress of the Internal
9 Revenue Service in implementing such strategy.

10 (b) **UPDATED GUIDANCE AND TRAINING MATE-**
11 **RIALS.**—Not later than 2 years after the date of the enact-
12 ment of this Act, the Secretary of the Treasury shall make
13 available the updated guidance and training materials de-
14 scribed in subsection (a)(4) (including the Internal Rev-
15 enue Manual). Such updated guidance and training mate-
16 rials (including the Internal Revenue Manual) shall be
17 written in a manner so as to be easily understood by cus-
18 tomer service employees of the Internal Revenue Service
19 and shall provide clear instructions.

20 **SEC. 11202. IRS FREE FILE PROGRAM.**

21 (a) **IN GENERAL.**—

22 (1) The Secretary of the Treasury, or the Sec-
23 retary's delegate, shall continue to operate the IRS
24 Free File Program as established by the Internal
25 Revenue Service and published in the Federal Reg-

1 ister on November 4, 2002 (67 Fed. Reg. 67247),
2 including any subsequent agreements and governing
3 rules established pursuant thereto.

4 (2) The IRS Free File Program shall continue
5 to provide free commercial-type online individual in-
6 come tax preparation and electronic filing services to
7 the lowest 70 percent of taxpayers by adjusted gross
8 income. The number of taxpayers eligible to receive
9 such services each year shall be calculated by the In-
10 ternal Revenue Service annually based on prior year
11 aggregate taxpayer adjusted gross income data.

12 (3) In addition to the services described in
13 paragraph (2), and in the same manner, the IRS
14 Free File Program shall continue to make available
15 to all taxpayers (without regard to income) a basic,
16 online electronic fillable forms utility.

17 (4) The IRS Free File Program shall continue
18 to work cooperatively with the private sector to pro-
19 vide the free individual income tax preparation and
20 the electronic filing services described in paragraphs
21 (2) and (3).

22 (5) The IRS Free File Program shall work co-
23 operatively with State government agencies to en-
24 hance and expand the use of the program to provide

1 needed benefits to the taxpayer while reducing the
2 cost of processing returns.

3 (b) INNOVATIONS.—The Secretary of the Treasury,
4 or the Secretary’s delegate, shall work with the private
5 sector through the IRS Free File Program to identify and
6 implement, consistent with applicable law, innovative new
7 program features to improve and simplify the taxpayer’s
8 experience with completing and filing individual income
9 tax returns through voluntary compliance.

10 **SEC. 11203. LOW-INCOME EXCEPTION FOR PAYMENTS OTH-**
11 **ERWISE REQUIRED IN CONNECTION WITH A**
12 **SUBMISSION OF AN OFFER-IN-COMPROMISE.**

13 (a) IN GENERAL.—Section 7122(e) is amended by
14 adding at the end the following new paragraph:

15 “(3) EXCEPTION FOR LOW-INCOME TAX-
16 PAYERS.—Paragraph (1), and any user fee otherwise
17 required in connection with the submission of an
18 offer-in-compromise, shall not apply to any offer-in-
19 compromise with respect to a taxpayer who is an in-
20 dividual with adjusted gross income, as determined
21 for the most recent taxable year for which such in-
22 formation is available, which does not exceed 250
23 percent of the applicable poverty level (as deter-
24 mined by the Secretary).”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to offers-in-compromise submitted
3 after the date of the enactment of this Act.

4 **TITLE III—SENSIBLE**
5 **ENFORCEMENT**

6 **SEC. 11301. INTERNAL REVENUE SERVICE SEIZURE RE-**
7 **QUIREMENTS WITH RESPECT TO STRUC-**
8 **TURING TRANSACTIONS.**

9 Section 5317(c)(2) of title 31, United States Code,
10 is amended—

11 (1) by striking “Any property” and inserting
12 the following:

13 “(A) IN GENERAL.—Any property”; and

14 (2) by adding at the end the following:

15 “(B) INTERNAL REVENUE SERVICE SEI-
16 ZURE REQUIREMENTS WITH RESPECT TO
17 STRUCTURING TRANSACTIONS.—

18 “(i) PROPERTY DERIVED FROM AN IL-
19 LEGAL SOURCE.—Property may only be
20 seized by the Internal Revenue Service
21 pursuant to subparagraph (A) by reason of
22 a claimed violation of section 5324 if the
23 property to be seized was derived from an
24 illegal source or the funds were structured
25 for the purpose of concealing the violation

1 of a criminal law or regulation other than
2 section 5324.

3 “(ii) NOTICE.—Not later than 30
4 days after property is seized by the Inter-
5 nal Revenue Service pursuant to subpara-
6 graph (A), the Internal Revenue Service
7 shall—

8 “(I) make a good faith effort to
9 find all persons with an ownership in-
10 terest in such property; and

11 “(II) provide each such person
12 with a notice of the seizure and of the
13 person’s rights under clause (iv).

14 “(iii) EXTENSION OF NOTICE UNDER
15 CERTAIN CIRCUMSTANCES.—The Internal
16 Revenue Service may apply to a court of
17 competent jurisdiction for one 30-day ex-
18 tension of the notice requirement under
19 clause (ii) if the Internal Revenue Service
20 can establish probable cause of an immi-
21 nent threat to national security or personal
22 safety necessitating such extension.

23 “(iv) POST-SEIZURE HEARING.—If a
24 person with a property interest in property
25 seized pursuant to subparagraph (A) by

1 the Internal Revenue Service requests a
2 hearing by a court of competent jurisdic-
3 tion within 30 days after the date on which
4 notice is provided under subclause (ii),
5 such property shall be returned unless the
6 court holds an adversarial hearing and
7 finds within 30 days of such request (or
8 such longer period as the court may pro-
9 vide, but only on request of an interested
10 party) that there is probable cause to be-
11 lieve that there is a violation of section
12 5324 involving such property and probable
13 cause to believe that the property to be
14 seized was derived from an illegal source or
15 the funds were structured for the purpose
16 of concealing the violation of a criminal
17 law or regulation other than section
18 5324.”.

19 **SEC. 11302. EXCLUSION OF INTEREST RECEIVED IN ACTION**
20 **TO RECOVER PROPERTY SEIZED BY THE IN-**
21 **TERNAL REVENUE SERVICE BASED ON**
22 **STRUCTURING TRANSACTION.**

23 (a) IN GENERAL.—Part III of subchapter B of chap-
24 ter 1 is amended by inserting before section 140 the fol-
25 lowing new section:

1 **“SEC. 139G. INTEREST RECEIVED IN ACTION TO RECOVER**
2 **PROPERTY SEIZED BY THE INTERNAL REV-**
3 **ENUE SERVICE BASED ON STRUCTURING**
4 **TRANSACTION.**

5 “Gross income shall not include any interest received
6 from the Federal Government in connection with an action
7 to recover property seized by the Internal Revenue Service
8 pursuant to section 5317(c)(2) of title 31, United States
9 Code, by reason of a claimed violation of section 5324 of
10 such title.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 for part III of subchapter B of chapter 1 is amended by
13 inserting before the item relating to section 140 the fol-
14 lowing new item:

“Sec. 139G. Interest received in action to recover property seized by the Inter-
nal Revenue Service based on structuring transaction.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to interest received on or after the
17 date of the enactment of this Act.

18 **SEC. 11303. CLARIFICATION OF EQUITABLE RELIEF FROM**
19 **JOINT LIABILITY.**

20 (a) IN GENERAL.—Section 6015 is amended—

21 (1) in subsection (e), by adding at the end the
22 following new paragraph:

23 “(7) STANDARD AND SCOPE OF REVIEW.—Any
24 review of a determination made under this section

1 shall be reviewed de novo by the Tax Court and shall
2 be based upon—

3 “(A) the administrative record established
4 at the time of the determination, and

5 “(B) any additional newly discovered or
6 previously unavailable evidence.”, and

7 (2) by amending subsection (f) to read as fol-
8 lows:

9 “(f) **EQUITABLE RELIEF.**—

10 “(1) **IN GENERAL.**—Under procedures pre-
11 scribed by the Secretary, if—

12 “(A) taking into account all the facts and
13 circumstances, it is inequitable to hold the indi-
14 vidual liable for any unpaid tax or any defi-
15 ciency (or any portion of either), and

16 “(B) relief is not available to such indi-
17 vidual under subsection (b) or (c),

18 the Secretary may relieve such individual of such li-
19 ability.

20 “(2) **LIMITATION.**—A request for equitable re-
21 lief under this subsection may be made with respect
22 to any portion of any liability that—

23 “(A) has not been paid, provided that such
24 request is made before the expiration of the ap-

1 plicable period of limitation under section 6502,
2 or

3 “(B) has been paid, provided that such re-
4 quest is made during the period in which the
5 individual could submit a timely claim for re-
6 fund or credit of such payment.”.

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to petitions or requests filed or
9 pending on or after the date of the enactment of this Act.

10 **SEC. 11304. MODIFICATION OF PROCEDURES FOR**
11 **ISSUANCE OF THIRD-PARTY SUMMONS.**

12 (a) IN GENERAL.—Section 7609(f) is amended by
13 adding at the end the following flush sentence:

14 “The Secretary shall not issue any summons described in
15 the preceding sentence unless the information sought to
16 be obtained is narrowly tailored to information that per-
17 tains to the failure (or potential failure) of the person or
18 group or class of persons referred to in paragraph (2) to
19 comply with one or more provisions of the internal revenue
20 law which have been identified for purposes of such para-
21 graph.”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to summonses served after the date
24 of the enactment of this Act.

1 **SEC. 11305. ESTABLISHMENT OF INCOME THRESHOLD FOR**
2 **REFERRAL TO PRIVATE DEBT COLLECTION.**

3 (a) IN GENERAL.—Section 6306(d)(3) is amended by
4 striking “or” at the end of subparagraph (C), by adding
5 “or” at the end of subparagraph (D), and by inserting
6 after subparagraph (D) the following new subparagraph:

7 “(E) in the case of a tax receivable which
8 is identified by the Secretary (or the Secretary’s
9 delegate) during the period beginning on the
10 date which is 180 days after the date of the en-
11 actment of this Act and ending on December
12 31, 2019, a taxpayer who is an individual with
13 adjusted gross income, as determined for the
14 most recent taxable year for which such infor-
15 mation is available, which does not exceed 250
16 percent of the applicable poverty level (as deter-
17 mined by the Secretary),”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to tax receivables identified by the
20 Secretary (or the Secretary’s delegate) after the date
21 which is 180 days after the date of the enactment of this
22 Act.

23 **SEC. 11306. REFORM OF NOTICE OF CONTACT OF THIRD**
24 **PARTIES.**

25 (a) IN GENERAL.—Section 7602(c)(1) is amended to
26 read as follows:

1 “(1) GENERAL NOTICE.—An officer or em-
2 ployee of the Internal Revenue Service may not con-
3 tact any person other than the taxpayer with respect
4 to the determination or collection of the tax liability
5 of such taxpayer unless such contact occurs during
6 a period (not greater than 1 year) which is specified
7 in a notice which—

8 “(A) informs the taxpayer that contacts
9 with persons other than the taxpayer are in-
10 tended to be made during such period, and

11 “(B) except as otherwise provided by the
12 Secretary, is provided to the taxpayer not later
13 than 45 days before the beginning of such pe-
14 riod.

15 Nothing in the preceding sentence shall prevent the
16 issuance of notices to the same taxpayer with respect
17 to the same tax liability with periods specified there-
18 in that, in the aggregate, exceed 1 year. A notice
19 shall not be issued under this paragraph unless
20 there is an intent at the time such notice is issued
21 to contact persons other than the taxpayer during
22 the period specified in such notice. The preceding
23 sentence shall not prevent the issuance of a notice
24 if the requirement of such sentence is met on the
25 basis of the assumption that the information sought

1 to be obtained by such contact will not be obtained
2 by other means before such contact.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to notices provided, and contacts
5 of persons made, after the date which is 45 days after
6 the date of the enactment of this Act.

7 **SEC. 11307. MODIFICATION OF AUTHORITY TO ISSUE DES-**
8 **IGNATED SUMMONS.**

9 (a) **IN GENERAL.**—Clause (i) of section
10 6503(j)(2)(A) is amended to read as follows:

11 “(i) the issuance of such summons is
12 preceded by a review and written approval
13 of such issuance by the Administrator of
14 the relevant operating division of the Inter-
15 nal Revenue Service and the Chief Counsel
16 which—

17 “(I) states facts clearly estab-
18 lishing that the Secretary has made
19 reasonable requests for the informa-
20 tion that is the subject of the sum-
21 mons, and

22 “(II) is attached to such sum-
23 mons,”.

24 (b) **ESTABLISHMENT THAT REASONABLE REQUESTS**
25 **FOR INFORMATION WERE MADE.**—Subsection (j) of sec-

1 tion 6503 is amended by adding at the end the following
2 new paragraph:

3 “(4) ESTABLISHMENT THAT REASONABLE RE-
4 QUESTS FOR INFORMATION WERE MADE.—In any
5 court proceeding described in paragraph (3), the
6 Secretary shall establish that reasonable requests
7 were made for the information that is the subject of
8 the summons.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to summonses issued after the date
11 of the enactment of this Act.

12 **SEC. 11308. LIMITATION ON ACCESS OF NON-INTERNAL**
13 **REVENUE SERVICE EMPLOYEES TO RETURNS**
14 **AND RETURN INFORMATION.**

15 (a) IN GENERAL.—Section 7602 is amended by add-
16 ing at the end the following new subsection:

17 “(f) LIMITATION ON ACCESS OF PERSONS OTHER
18 THAN INTERNAL REVENUE SERVICE OFFICERS AND EM-
19 PLOYEES.—The Secretary shall not, under the authority
20 of section 6103(n), provide any books, papers, records, or
21 other data obtained pursuant to this section to any person
22 authorized under section 6103(n), except when such per-
23 son requires such information for the sole purpose of pro-
24 viding expert evaluation and assistance to the Internal
25 Revenue Service. No person other than an officer or em-

1 ployee of the Internal Revenue Service or the Office of
 2 Chief Counsel may, on behalf of the Secretary, question
 3 a witness under oath whose testimony was obtained pursu-
 4 ant to this section.”.

5 (b) EFFECTIVE DATE.—

6 (1) IN GENERAL.—Except as provided in para-
 7 graph (2), the amendment made by this section shall
 8 take effect on the date of the enactment of this Act.

9 (2) APPLICATION TO CONTRACTS IN EFFECT.—

10 The amendment made by this section shall apply to
 11 any contract in effect under section 6103(n) of the
 12 Internal Revenue Code of 1986, pursuant to tem-
 13 porary Treasury Regulation section 301.7602–1T
 14 proposed in Internal Revenue Bulletin 2014–28,
 15 Treasury Regulation section 301.7602–1(b)(3), or
 16 any similar or successor regulation, that is in effect
 17 on the date of the enactment of this Act.

18 **TITLE IV—ORGANIZATIONAL** 19 **MODERNIZATION**

20 **SEC. 11401. MODIFICATION OF TITLE OF COMMISSIONER** 21 **OF INTERNAL REVENUE AND RELATED OFFI-** 22 **CIALS.**

23 (a) IN GENERAL.—Section 7803(a)(1)(A) is amended
 24 by striking “Commissioner of Internal Revenue” and in-
 25 serting “Administrator of the Internal Revenue Service”.

1 (b) CONFORMING AMENDMENTS RELATED TO SEC-
2 TION 7803.—

3 (1) Subsections (a)(1)(B), (a)(1)(C), (b)(3),
4 (c)(1)(B)(i), and (c)(1)(B)(ii) of section 7803 are
5 each amended by striking “Commissioner of Internal
6 Revenue” and inserting “Administrator of the Inter-
7 nal Revenue Service”.

8 (2) Section 7803(b)(2)(A) is amended by strik-
9 ing “Commissioner’s” and inserting “Administra-
10 tor’s”.

11 (3) Subsections (a)(1)(D), (a)(1)(E), (a)(2),
12 (a)(3), (a)(4), (b)(2)(A), (b)(2)(D), (b)(3),
13 (c)(2)(B)(iii), (c)(2)(C)(iv), and (c)(3) of section
14 7803, as amended by the preceding paragraphs of
15 this subsection, are amended by striking “Commis-
16 sioner” each place it appears therein and inserting
17 “Administrator”.

18 (4) The heading of section 7803 is amended by
19 striking “**COMMISSIONER OF INTERNAL REV-**
20 **ENUE**” and inserting “**ADMINISTRATOR OF THE**
21 **INTERNAL REVENUE SERVICE**”.

22 (5) The heading of section 7803(a) is amended
23 by striking “**COMMISSIONER OF INTERNAL REV-**
24 **ENUE**” and inserting “**ADMINISTRATOR OF THE IN-**
25 **TERNAL REVENUE SERVICE**”.

1 (6) The heading of section 7803(c)(3) is
2 amended by striking “COMMISSIONER” and inserting
3 “ADMINISTRATOR”.

4 (7) The table of sections for subchapter A of
5 chapter 80 is amended by striking the item relating
6 to section 7803 and inserting the following new
7 item:

“Sec. 7803. Administrator of the Internal Revenue Service; other officials.”.

8 (c) OTHER CONFORMING AMENDMENTS TO THE IN-
9 TERNAL REVENUE CODE OF 1986.—

10 (1) Section 6307(c) is amended by striking
11 “Commissioner of Internal Revenue” and inserting
12 “Administrator of the Internal Revenue Service”.

13 (2) Section 6673(a)(2)(B) is amended by strik-
14 ing “Commissioner of Internal Revenue” and insert-
15 ing “Administrator of the Internal Revenue Serv-
16 ice”.

17 (3) Section 6707(c) is amended by striking
18 “Commissioner” and inserting “Administrator”.

19 (4) Section 6707A(d) is amended—

20 (A) in paragraph (1), by striking “Com-
21 missioner of Internal Revenue” and inserting
22 “Administrator of the Internal Revenue Serv-
23 ice”, and

1 (B) in paragraph (3), by striking “Com-
2 missioner” each place it appears and inserting
3 “Administrator”.

4 (5)(A) Subsections (a) and (g) of section 7345
5 are each amended by striking “Commissioner of In-
6 ternal Revenue” and inserting “Administrator of the
7 Internal Revenue Service”.

8 (B) Section 7345(g) is amended—

9 (i) by striking “Deputy Commissioner for
10 Services and Enforcement” and inserting “Dep-
11 uty Administrator for Services and Enforce-
12 ment”, and

13 (ii) by striking “Commissioner of an oper-
14 ating division” and inserting “Administrator of
15 an operating division”.

16 (C) Subsections (c)(1), (d) and (e)(1) of section
17 7345 are each amended by striking “Commissioner”
18 each place it appears therein and inserting “Admin-
19 istrator”.

20 (6) Section 7435(e) is amended by striking
21 “Commissioner” each place it appears therein and
22 inserting “Administrator”.

23 (7) Section 7409(a)(2)(B) is amended by strik-
24 ing “Commissioner of Internal Revenue” and insert-

1 ing “Administrator of the Internal Revenue Serv-
2 ice”.

3 (8) Section 7608(c) is amended—

4 (A) in paragraph (1), by striking “the
5 Commissioner of Internal Revenue (or, if des-
6 ignated by the Commissioner, the Deputy Com-
7 missioner or an Assistant Commissioner of In-
8 ternal Revenue)” and inserting “the Adminis-
9 trator of the Internal Revenue Service (or, if
10 designated by the Administrator, the Deputy
11 Administrator or an Assistant Administrator of
12 the Internal Revenue Service)”, and

13 (B) in paragraph (2) by striking “Commis-
14 sioner” and inserting “Administrator”.

15 (9) Section 7611(b)(3)(C) is amended by strik-
16 ing “regional commissioner” and inserting “regional
17 administrator”.

18 (10) Section 7701(a)(13) is amended to read as
19 follows:

20 “(13) ADMINISTRATOR.—The term ‘Adminis-
21 trator’, except where the context clearly indicates
22 otherwise, means the Administrator of the Internal
23 Revenue Service.”.

1 (11)(A) Section 7804(a) is amended by striking
2 “Commissioner of Internal Revenue” and inserting
3 “Administrator of the Internal Revenue Service”.

4 (B) Subsections (a), (b)(1), and (b)(2) of sec-
5 tion 7804(a), as amended by subparagraph (A), are
6 each amended by striking “Commissioner” each
7 place it appears therein and inserting “Adminis-
8 trator”.

9 (12) Section 7811(c)(1) is amended by striking
10 “the Commissioner of Internal Revenue, or the Dep-
11 uty Commissioner of Internal Revenue” and insert-
12 ing “the Administrator of the Internal Revenue
13 Service, or the Deputy Commissioner of the Internal
14 Revenue Service”.

15 (d) AMENDMENTS TO SECTION 8D OF THE INSPEC-
16 TOR GENERAL ACT OF 1978.—

17 (1) Subsections (g)(2), (k)(1)(C), (l)(1), and
18 (l)(2)(A) of section 8D of the Inspector General Act
19 of 1978 are each amended by striking “Commis-
20 sioner of Internal Revenue” and inserting “Adminis-
21 trator of the Internal Revenue Service”.

22 (2) Section 8D(l)(2)(B) of such Act is amended
23 by striking “Commissioner” each place it appears
24 therein and inserting “Administrator”.

1 (e) OTHER REFERENCES.—Any reference in any pro-
2 vision of law, or regulation or other guidance, to the Com-
3 missioner of Internal Revenue, or to any Deputy or Assist-
4 ant Commissioner of Internal Revenue, or to a Commis-
5 sioner of any division or region of the Internal Revenue
6 Service, shall be treated as a reference to the Adminis-
7 trator of the Internal Revenue Service, or to the appro-
8 priate Deputy or Assistant Administrator of the Internal
9 Revenue Service, or to the appropriate Administrator of
10 such division or region, respectively.

11 (f) CONTINUITY.—In the case of any individual ap-
12 pointed by the President, by and with the advice and con-
13 sent of the Senate, as Commissioner of Internal Revenue
14 under section 7803(a)(1)(A) of the Internal Revenue Code
15 of 1986, and serving in such position immediately before
16 the date of the enactment of this Act, the amendments
17 made by this section shall be construed as changing the
18 title of such individual and shall not be construed to—

19 (1) require the reappoint of such individual
20 under such section, or

21 (2) alter the remaining term of such person
22 under section 7803(a)(1)(B).

23 **SEC. 11402. OFFICE OF THE NATIONAL TAXPAYER ADVOCATE.**
24 **CATE.**

25 (a) TAXPAYER ADVOCATE DIRECTIVES.—

1 (1) IN GENERAL.—Section 7803(c) is amended
2 by adding at the end the following new paragraph:

3 “(5) TAXPAYER ADVOCATE DIRECTIVES.—In
4 the case of any Taxpayer Advocate Directive issued
5 by the National Taxpayer Advocate pursuant to a
6 delegation of authority from the Administrator of
7 the Internal Revenue Service—

8 “(A) the Administrator or a Deputy Ad-
9 ministrator shall modify, rescind, or ensure
10 compliance with such directive not later than 90
11 days after the issuance of such directive, and

12 “(B) in the case of any directive which is
13 modified or rescinded by a Deputy Adminis-
14 trator, the National Taxpayer Advocate may
15 (not later than 90 days after such modification
16 or rescission) appeal to the Administrator and
17 the Administrator shall (not later than 90 days
18 after such appeal is made) ensure compliance
19 with such directive as issued by the National
20 Taxpayer Advocate or provide the National
21 Taxpayer Advocate with a detailed description
22 of the reasons for any modification or rescission
23 made or upheld by the Administrator pursuant
24 to such appeal.”.

1 (2) REPORT TO CERTAIN COMMITTEES OF CON-
2 GRESS REGARDING DIRECTIVES.—Section
3 7803(c)(2)(B)(ii) is amended by redesignating sub-
4 clauses (VIII) through (XI) as subclauses (IX)
5 through (XII), respectively, and by inserting after
6 subclause (VII) the following new subclause:

7 “(VIII) identify any Taxpayer
8 Advocate Directive which was not
9 honored by the Internal Revenue
10 Service in a timely manner, as speci-
11 fied under paragraph (5);”.

12 (b) NATIONAL TAXPAYER ADVOCATE ANNUAL RE-
13 PORTS TO CONGRESS.—

14 (1) INCLUSION OF MOST SERIOUS TAXPAYER
15 PROBLEMS.—Section 7803(c)(2)(B)(ii)(III) is
16 amended by striking “at least 20” and inserting
17 “the 10”.

18 (2) COORDINATION WITH TREASURY INSPECTOR
19 GENERAL FOR TAX ADMINISTRATION.—Section
20 7803(c)(2) is amended by adding at the end the fol-
21 lowing new subparagraph:

22 “(E) COORDINATION WITH TREASURY IN-
23 SPECTOR GENERAL FOR TAX ADMINISTRA-
24 TION.—Before beginning any research or study,
25 the National Taxpayer Advocate shall coordi-

1 nate with the Treasury Inspector General for
2 Tax Administration to ensure that the National
3 Taxpayer Advocate does not duplicate any ac-
4 tion that the Treasury Inspector General for
5 Tax Administration has already undertaken or
6 has a plan to undertake.”.

7 (3) STATISTICAL SUPPORT.—

8 (A) IN GENERAL.—Section 6108 is amend-
9 ed by adding at the end the following new sub-
10 section:

11 “(d) STATISTICAL SUPPORT FOR NATIONAL TAX-
12 PAYER ADVOCATE.—The Secretary shall, upon request of
13 the National Taxpayer Advocate, provide the National
14 Taxpayer Advocate with statistical support in connection
15 with the preparation by the National Taxpayer Advocate
16 of the annual report described in section
17 7803(c)(2)(B)(ii). Such statistical support shall include
18 statistical studies, compilations, and the review of infor-
19 mation provided by the National Taxpayer Advocate for
20 statistical validity and sound statistical methodology.”.

21 (B) DISCLOSURE OF REVIEW.—Section
22 7803(c)(2)(B)(ii), as amended by subsection
23 (a), is amended by redesignating subclause
24 (XII) as subclause (XIII) and by inserting after
25 subclause (XI) the following new subclause:

1 “(XII) with respect to any statis-
2 tical information included in such re-
3 port, include a statement of whether
4 such statistical information was re-
5 viewed or provided by the Secretary
6 under section 6108(d) and, if so,
7 whether the Secretary determined
8 such information to be statistically
9 valid and based on sound statistical
10 methodology.”.

11 (C) CONFORMING AMENDMENT.—Section
12 7803(c)(2)(B)(iii) is amended by adding at the
13 end the following: “The preceding sentence
14 shall not apply with respect to statistical infor-
15 mation provided to the Secretary for review, or
16 received from the Secretary, under section
17 6108(d).”.

18 (c) SALARY OF NATIONAL TAXPAYER ADVOCATE.—
19 Section 7803(c)(1)(B)(i) is amended by striking “, or, if
20 the Secretary of the Treasury so determines, at a rate
21 fixed under section 9503 of such title”.

22 (d) EFFECTIVE DATE.—

23 (1) IN GENERAL.—Except as otherwise pro-
24 vided in this subsection, the amendments made by

1 this section shall take effect on the date of the en-
2 actment of this Act.

3 (2) SALARY OF NATIONAL TAXPAYER ADVOCATE.—The amendment made by subsection (c)
4 shall apply to compensation paid to individuals ap-
5 pointed as the National Taxpayer Advocate after the
6 date of the enactment of this Act.
7

8 **SEC. 11403. ELIMINATION OF IRS OVERSIGHT BOARD.**

9 (a) IN GENERAL.—Subchapter A of chapter 80 is
10 amended by striking section 7802 (and by striking the
11 item relating to such section in the table of sections of
12 such subchapter).

13 (b) CONFORMING AMENDMENTS.—

14 (1) Section 4946(c) is amended by adding “or”
15 at the end of paragraph (5), by striking “, or” at
16 the end of paragraph (6) and inserting a period, and
17 by striking paragraph (7).

18 (2) Section 6103(h) is amended by striking
19 paragraph (6).

20 (3) Section 7803(a) is amended by striking
21 paragraph (4).

22 (4) Section 7803(c)(1)(B)(ii) is amended by
23 striking “and the Oversight Board”.

24 (5) Section 7803(c)(2)(B)(iii) is amended by
25 striking “the Oversight Board,”.

1 (6) Section 8D of the Inspector General Act of
2 1978 is amended—

3 (A) in subsections (g)(2) and (h), by strik-
4 ing “the Internal Revenue Service Oversight
5 Board and”,

6 (B) in subsection (l)(1), by striking “or the
7 Internal Revenue Service Oversight Board”,
8 and

9 (C) in subsection (l)(2), by striking “and
10 the Internal Revenue Service Oversight Board”.

11 **SEC. 11404. MODERNIZATION OF INTERNAL REVENUE**
12 **SERVICE ORGANIZATIONAL STRUCTURE.**

13 (a) IN GENERAL.—Not later than September 30,
14 2020, the Administrator of the Internal Revenue Service
15 shall submit to Congress a comprehensive written plan to
16 redesign the organization of the Internal Revenue Service.
17 Such plan shall—

18 (1) ensure the successful implementation of the
19 priorities specified by Congress in this Act,

20 (2) prioritize taxpayer services to ensure that
21 all taxpayers easily and readily receive the assistance
22 that they need,

23 (3) streamline the structure of the agency in-
24 cluding minimizing the duplication of services and
25 responsibilities within the agency,

1 (4) best position the Internal Revenue Service
2 to combat cybersecurity and other threats to the In-
3 ternal Revenue Service, and

4 (5) address whether the Criminal Investigation
5 Division of the Internal Revenue Service should re-
6 port directly to the Administrator.

7 (b) REPEAL OF RESTRICTION ON ORGANIZATIONAL
8 STRUCTURE OF INTERNAL REVENUE SERVICE.—Para-
9 graph (3) of section 1001(a) of the Internal Revenue Serv-
10 ice Restructuring and Reform Act of 1998 shall cease to
11 apply beginning 1 year after the date on which the Admin-
12 istrator of the Internal Revenue Service submits to Con-
13 gress the plan described in subsection (a).

14 **TITLE V—TAX COURT**

15 **SEC. 11501. DISQUALIFICATION OF JUDGE OR MAGISTRATE** 16 **JUDGE OF THE TAX COURT.**

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

20 **“SEC. 7467. DISQUALIFICATION OF JUDGE OR MAGISTRATE** 21 **JUDGE OF THE TAX COURT.**

22 “Section 455 of title 28, United States Code, shall
23 apply to judges and magistrate judges of the Tax Court
24 and to proceedings of the Tax Court.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for such part is amended by adding at the end the fol-
3 lowing new item:

“Sec. 7467. Disqualification of judge or magistrate judge of the Tax Court.”.

4 **SEC. 11502. OPINIONS AND JUDGMENTS.**

5 (a) IN GENERAL.—Section 7459 is amended by strik-
6 ing all the precedes subsection (c) and inserting the fol-
7 lowing:

8 **“SEC. 7459. OPINIONS AND JUDGMENTS.**

9 “(a) REQUIREMENT.—An opinion upon any pro-
10 ceeding instituted before the Tax Court and a judgment
11 thereon shall be made as quickly as practicable. The judg-
12 ment shall be made by a judge in accordance with the
13 opinion of the Tax Court, and such judgment so made
14 shall, when entered, be the judgment of the Tax Court.

15 “(b) INCLUSION OF FINDINGS OF FACT IN OPIN-
16 ION.—It shall be the duty of the Tax Court and of each
17 division to include in its opinion or memorandum opinion
18 upon any proceeding, its findings of fact. The Tax Court
19 shall issue in writing all of its findings of fact, opinions,
20 and memorandum opinions. Subject to such conditions as
21 the Tax Court may by rule provide, the requirements of
22 this subsection and of section 7460 are met if findings
23 of fact or opinion are stated orally and recorded in the
24 transcript of the proceedings.”.

1 (b) CONFORMING AMENDMENTS TO SECTION
2 7459.—

3 (1) Subsections (c), (d), (e), and (f) of section
4 7459 are each amended by striking “decision” each
5 place it appears and inserting “judgment”.

6 (2) The headings of subsections (c), (d), and (e)
7 of section 7459 are each amended by striking “DE-
8 CISION” and inserting “JUDGMENT”.

9 (3) The item relating to section 7459 in the
10 table of sections for part II of subchapter C of chap-
11 ter 76 is amended to read as follows:

“Sec. 7459. Opinions and judgments.”.

12 (c) OTHER CONFORMING AMENDMENTS.—

13 (1) The following provisions are each amended
14 by striking “decision” and inserting “judgment”:

15 (A) Section 1313(a)(1).

16 (B) Section 6213(a).

17 (C) Section 6214(d).

18 (D) Section 6225(a)(2).

19 (E) Section 6226(g).

20 (F) Section 6228(a)(6).

21 (G) Subsections (a)(3)(B) and (c)(1)(A)(ii)
22 of section 6230.

23 (H) Section 6247(d).

24 (I) Section 6252(e).

25 (J) Section 6404(h)(2)(C).

1 (K) Section 6503(a)(1).

2 (L) Section 6673(a)(1)(C).

3 (M) Subsections (e), (f), and (g) of section
4 6861.

5 (N) Section 6863(b)(3)(C).

6 (O) Section 7428(a).

7 (P) Section 7428(e)(1)(C)(i).

8 (Q) Section 7430(f)(3).

9 (R) Section 7436(e)(2).

10 (S) Section 7461(b)(2).

11 (T) Subsections (a)(4), (b), and (d) of sec-
12 tion 7463.

13 (U) Subsections (a)(2)(B) and (b)(4) of
14 section 7476.

15 (V) Section 7477(a).

16 (W) Section 7478(a)(2).

17 (X) Subsections (a)(2) and (e) of section
18 7479.

19 (2) The following provisions are each amended
20 by striking “decision” each place it appears and in-
21 serting “judgment”:

22 (A) Subsections (a) and (b)(3) of section
23 6215.

24 (B) Section 6226(h).

25 (C) Section 6247(e).

1 (D) Subsections (d) and (e) of section
2 6861.

3 (E) Section 6863(b)(2).

4 (F) Section 7422.

5 (G) Subsections (a) and (b) of section
6 7460.

7 (H) Subsections (a), (b), (c), and (d) of
8 section 7463.

9 (I) Section 7482.

10 (J) Section 7483.

11 (K) Section 7485(b).

12 (L) Section 7481.

13 (3) Sections 7422 and 7482 are each amended
14 by striking “decisions” each place it appears and in-
15 serting “judgments”.

16 (4) Section 7430(f)(1) is amended by striking
17 “decision or” both places it appears.

18 (5) Subsections (a) and (b) of section 7460 are
19 each amended by striking “report” each place it ap-
20 pears and inserting “opinion”.

21 (6) Section 7461(a) is amended—

22 (A) by striking “reports” and inserting
23 “opinions”, and

24 (B) by striking “report” and inserting
25 “opinion”.

1 (7) Section 7462 is amended by striking “re-
2 ports” each place it appears and inserting “opin-
3 ions”.

4 (8) Section 7487(1) is amended by striking
5 “decisions” and inserting “judgments”.

6 (9) The headings of sections 6214(b), 7463(b),
7 7481(a), 7481(b), 7481(d), and 7485(b) are each
8 amended by striking “DECISIONS” and inserting
9 “JUDGMENTS”.

10 (10) The headings of sections 6226(h), 6247(e),
11 6861(c), 6861(d), 7443A(c), 7481(a)(2), and
12 7481(a)(3) are each amended by striking “DECI-
13 SION” and inserting “JUDGMENT”.

14 (11) The headings of sections 6863(b)(2),
15 6863(b)(3), 7430(f)(3), and 7482(a)(2)(B) are each
16 amended by striking “DECISION” and inserting
17 “JUDGMENT”.

18 (12) The heading of section 7436(c)(2) is
19 amended by striking “DECISIONS” and inserting
20 “JUDGMENT”.

21 (13) The heading of section 7460(a) is amend-
22 ed by striking “REPORTS” and inserting “OPIN-
23 IONS”.

1 (14) The heading of section 7462 is amended
2 by striking “**REPORTS**” and inserting “**OPIN-**
3 **IONS**”.

4 (15) The heading of subchapter D of chapter
5 76 is amended by striking “**Decisions**” and insert-
6 ing “**Judgments**”.

7 (16) The heading of section 7481 is amended
8 by striking “**DECISION**” and inserting “**JUDG-**
9 **MENT**”.

10 (17) The item relating to section 7462 in the
11 table of sections for part II of subchapter C of chap-
12 ter 76 is amended to read as follows:

“Sec. 7462. Publication of opinions.”.

13 (18) The item relating to subchapter D in the
14 table of subchapters for chapter 76 is amended to
15 read as follows:

“SUBCHAPTER D.—COURT REVIEW OF TAX COURT JUDGMENTS”.

16 (19) The item relating to section 7481 in the
17 table of sections for part III of subchapter D of
18 chapter 76 is amended to read as follows:

“Sec. 7481. Date when Tax Court judgment becomes final.”.

19 (d) CONTINUING EFFECT OF LEGAL DOCUMENTS.—
20 All orders, decisions, reports, rules, permits, agreements,
21 grants, contracts, certificates, licenses, registrations, privi-
22 leges, and other administrative actions, in connection with
23 the Tax Court, which are in effect at the time this section

1 takes effect, or were final before the effective date of this
2 section and are to become effective on or after the effective
3 date of this section, shall continue in effect according to
4 their terms until modified, terminated, superseded, set
5 aside, or revoked in accordance with law by the Tax Court.

6 **SEC. 11503. TITLE OF SPECIAL TRIAL JUDGE CHANGED TO**
7 **MAGISTRATE JUDGE OF THE TAX COURT.**

8 (a) IN GENERAL.—Section 7443A is amended—

9 (1) by striking “special trial judges” in sub-
10 sections (a) and (e) and inserting “magistrate
11 judges of the Tax Court”,

12 (2) by striking “special trial judges of the
13 court” in subsection (b) and inserting “magistrate
14 judges of the Tax Court”, and

15 (3) by striking “special trial judge” in sub-
16 sections (c) and (d) and inserting “magistrate judge
17 of the Tax Court”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) The heading of section 7443A is amended
20 by striking “**SPECIAL TRIAL JUDGES**” and insert-
21 ing “**MAGISTRATE JUDGES OF THE TAX**
22 **COURT**”.

23 (2) The heading of section 7443A(b) is amend-
24 ed by striking “**SPECIAL TRIAL JUDGES**” and insert-
25 ing “**MAGISTRATE JUDGES OF THE TAX COURT**”.

1 (3) The item relating to section 7443A in the
2 table of sections for part I of subchapter C of chap-
3 ter 76 is amended to read as follows:

“Sec. 7443A. Magistrate judges of the Tax Court.”.

4 (4) The heading of section 7448 is amended by
5 striking “**SPECIAL TRIAL JUDGES**” and inserting
6 “**MAGISTRATE JUDGES OF THE TAX COURT**”.

7 (5) Section 7448 is amended—

8 (A) by striking “special trial judge’s” each
9 place it appears in subsections (a)(6), (c)(1),
10 (d), and (m)(1) and inserting “magistrate judge
11 of the Tax Court’s”, and

12 (B) by striking “special trial judge” each
13 place it appears other than in subsection (n)
14 and inserting “magistrate judge of the Tax
15 Court”.

16 (6) Section 7448(n) is amended—

17 (A) by striking “special trial judge which
18 are allowable” and inserting “magistrate judge
19 of the Tax Court which are allowable”, and

20 (B) by striking “special trial judge of the
21 Tax Court” both places it appears and inserting
22 “magistrate judge of the Tax Court”.

23 (7) The heading of section 7448(b)(2) is
24 amended by striking “SPECIAL TRIAL JUDGES” and

1 inserting “MAGISTRATE JUDGES OF THE TAX
2 COURT”.

3 (8) The item relating to section 7448 in the
4 table of sections for part I of subchapter C of chap-
5 ter 76 is amended to read as follows:

“Sec. 7448. Annuities to surviving spouses and dependent children of judges
and magistrate judges of the Tax Court.”.

6 (9) Section 7456(a) is amended—

7 (A) by striking “special trial judge” each
8 place it appears and inserting “magistrate
9 judge”, and

10 (B) by striking “(or by the clerk” and in-
11 serting “of the Tax Court (or by the clerk”.

12 (10) Section 7466(a) is amended by striking
13 “special trial judge” and inserting “magistrate
14 judge”.

15 (11) Section 7470A is amended by striking
16 “special trial judges” both places it appears in sub-
17 sections (a) and (b) and inserting “magistrate
18 judges”.

19 (12) Section 7471(a)(2)(A) is amended by
20 striking “special trial judges” and inserting “mag-
21 istrate judges”.

22 (13) Section 7471(c) is amended—

1 (A) by striking “SPECIAL TRIAL JUDGES”
2 in the heading and inserting “MAGISTRATE
3 JUDGES OF THE TAX COURT”, and

4 (B) by striking “special trial judges” and
5 inserting “magistrate judges”.

6 **SEC. 11504. REPEAL OF DEADWOOD RELATED TO BOARD OF**
7 **TAX APPEALS.**

8 (a) Section 7459 is amended by striking subsection
9 (f) and redesignating subsection (g) as subsection (f).

10 (b) Section 7447(a)(3) is amended to read as follows:

11 “(3) In any determination of length of service
12 as judge or as a judge of the Tax Court of the
13 United States there shall be included all periods
14 (whether or not consecutive) during which an indi-
15 vidual served as judge.”.

16 **DIVISION B—RETURN PREPARA-**
17 **TION PROGRAMS FOR LOW-**
18 **INCOME TAXPAYERS**

19 **SEC. 12001. RETURN PREPARATION PROGRAMS FOR LOW-**
20 **INCOME TAXPAYERS.**

21 (a) IN GENERAL.—Chapter 77 of the Internal Rev-
22 enue Code of 1986 is amended by inserting after section
23 7526 the following new section:

1 **“SEC. 7526A. RETURN PREPARATION PROGRAMS FOR LOW-**
2 **INCOME TAXPAYERS.**

3 “(a) ESTABLISHMENT OF VOLUNTEER INCOME TAX
4 ASSISTANCE MATCHING GRANT PROGRAM.—The Sec-
5 retary shall establish a Community Volunteer Income Tax
6 Assistance Matching Grant Program under which the Sec-
7 retary may, subject to the availability of appropriated
8 funds, make grants to provide matching funds for the de-
9 velopment, expansion, or continuation of qualified return
10 preparation programs assisting low-income taxpayers and
11 members of underserved populations.

12 “(b) USE OF FUNDS.—

13 “(1) IN GENERAL.—Qualified return prepara-
14 tion programs may use grants received under this
15 section for—

16 “(A) ordinary and necessary costs associ-
17 ated with program operation in accordance with
18 cost principles under the applicable Office of
19 Management and Budget circular, including—

20 “(i) wages or salaries of persons co-
21 ordinating the activities of the program,

22 “(ii) developing training materials,
23 conducting training, and performing qual-
24 ity reviews of the returns prepared under
25 the program,

26 “(iii) equipment purchases, and

1 “(iv) vehicle-related expenses associ-
2 ated with remote or rural tax preparation
3 services,

4 “(B) outreach and educational activities
5 described in subsection (c)(2)(B), and

6 “(C) services related to financial education
7 and capability, asset development, and the es-
8 tablishment of savings accounts in connection
9 with tax return preparation.

10 “(2) REQUIREMENT OF MATCHING FUNDS.—A
11 qualified return preparation program must provide
12 matching funds on a dollar-for-dollar basis for all
13 grants provided under this section. Matching funds
14 may include—

15 “(A) the salary (including fringe benefits)
16 of individuals performing services for the pro-
17 gram,

18 “(B) the cost of equipment used in the
19 program, and

20 “(C) other ordinary and necessary costs
21 associated with the program.

22 Indirect expenses, including general overhead of any
23 entity administering the program, shall not be
24 counted as matching funds.

25 “(c) APPLICATION.—

1 “(1) IN GENERAL.—Each applicant for a grant
2 under this section shall submit an application to the
3 Secretary at such time, in such manner, and con-
4 taining such information as the Secretary may rea-
5 sonably require.

6 “(2) PRIORITY.—In awarding grants under this
7 section, the Secretary shall give priority to applica-
8 tions which demonstrate—

9 “(A) assistance to low-income taxpayers,
10 with emphasis on outreach to, and services for,
11 such taxpayers,

12 “(B) taxpayer outreach and educational
13 activities relating to eligibility and availability
14 of income supports available through this title,
15 including the earned income tax credit, and

16 “(C) specific outreach and focus on one or
17 more underserved populations.

18 “(3) AMOUNTS TAKEN INTO ACCOUNT.—In de-
19 termining matching grants under this section, the
20 Secretary shall only take into account amounts pro-
21 vided by the qualified return preparation program
22 for expenses described in subsection (b).

23 “(d) PROGRAM ADHERENCE.—

24 “(1) IN GENERAL.—The Secretary shall estab-
25 lish procedures for, and shall conduct not less fre-

1 quently than once every 5 calendar years during
2 which a qualified return preparation program is op-
3 erating under a grant under this section, periodic
4 site visits—

5 “(A) to ensure the program is carrying out
6 the purposes of this section, and

7 “(B) to determine whether the program
8 meets such program adherence standards as the
9 Secretary shall by regulation or other guidance
10 prescribe.

11 “(2) ADDITIONAL REQUIREMENTS FOR GRANT
12 RECIPIENTS NOT MEETING PROGRAM ADHERENCE
13 STANDARDS.—In the case of any qualified return
14 preparation program which—

15 “(A) is awarded a grant under this section,

16 and

17 “(B) is subsequently determined—

18 “(i) not to meet the program adher-
19 ence standards described in paragraph
20 (1)(B), or

21 “(ii) not to be otherwise carrying out
22 the purposes of this section,

23 such program shall not be eligible for any additional
24 grants under this section unless such program pro-
25 vides sufficient documentation of corrective meas-

1 ures established to address any such deficiencies de-
2 termined.

3 “(e) DEFINITIONS.—For purposes of this section—

4 “(1) QUALIFIED RETURN PREPARATION PRO-
5 GRAM.—The term ‘qualified return preparation pro-
6 gram’ means any program—

7 “(A) which provides assistance to individ-
8 uals, not less than 90 percent of whom are low-
9 income taxpayers, in preparing and filing Fed-
10 eral income tax returns,

11 “(B) which is administered by a qualified
12 entity,

13 “(C) in which all volunteers who assist in
14 the preparation of Federal income tax returns
15 meet the training requirements prescribed by
16 the Secretary, and

17 “(D) which uses a quality review process
18 which reviews 100 percent of all returns.

19 “(2) QUALIFIED ENTITY.—

20 “(A) IN GENERAL.—The term ‘qualified
21 entity’ means any entity which—

22 “(i) is an eligible organization,

23 “(ii) is in compliance with Federal tax
24 filing and payment requirements,

1 “(iii) is not debarred or suspended
2 from Federal contracts, grants, or coopera-
3 tive agreements, and

4 “(iv) agrees to provide documentation
5 to substantiate any matching funds pro-
6 vided pursuant to the grant program under
7 this section.

8 “(B) ELIGIBLE ORGANIZATION.—The term
9 ‘eligible organization’ means—

10 “(i) an institution of higher education
11 which is described in section 102 (other
12 than subsection (a)(1)(C) thereof) of the
13 Higher Education Act of 1965 (20 U.S.C.
14 1002), as in effect on the date of the en-
15 actment of this section, and which has not
16 been disqualified from participating in a
17 program under title IV of such Act,

18 “(ii) an organization described in sec-
19 tion 501(c) and exempt from tax under
20 section 501(a),

21 “(iii) a local government agency, in-
22 cluding—

23 “(I) a county or municipal gov-
24 ernment agency, and

1 “(II) an Indian tribe, as defined
2 in section 4(13) of the Native Amer-
3 ican Housing Assistance and Self-De-
4 termination Act of 1996 (25 U.S.C.
5 4103(13)), including any tribally des-
6 ignated housing entity (as defined in
7 section 4(22) of such Act (25 U.S.C.
8 4103(22))), tribal subsidiary, subdivi-
9 sion, or other wholly owned tribal en-
10 tity,

11 “(iv) a local, State, regional, or na-
12 tional coalition (with one lead organization
13 which meets the eligibility requirements of
14 clause (i), (ii), or (iii) acting as the appli-
15 cant organization), or

16 “(v) in the case of low-income tax-
17 payers and members of underserved popu-
18 lations with respect to which no organiza-
19 tions described in the preceding clauses are
20 available—

21 “(I) a State government agency,

22 or

23 “(II) an office providing Cooper-
24 ative Extension services (as estab-
25 lished at the land-grant colleges and

1 universities under the Smith-Lever
2 Act of May 8, 1914).

3 “(3) LOW-INCOME TAXPAYERS.—The term ‘low-
4 income taxpayer’ means a taxpayer whose income
5 for the taxable year does not exceed an amount
6 equal to the completed phaseout amount under sec-
7 tion 32(b) for a married couple filing a joint return
8 with 3 or more qualifying children, as determined in
9 a revenue procedure or other published guidance.

10 “(4) UNDERSERVED POPULATION.—The term
11 ‘underserved population’ includes populations of per-
12 sons with disabilities, persons with limited English
13 proficiency, Native Americans, individuals living in
14 rural areas, members of the Armed Forces and their
15 spouses, and the elderly.

16 “(f) SPECIAL RULES AND LIMITATIONS.—

17 “(1) DURATION OF GRANTS.—Upon application
18 of a qualified return preparation program, the Sec-
19 retary is authorized to award a multi-year grant not
20 to exceed 3 years.

21 “(2) AGGREGATE LIMITATION.—Unless other-
22 wise provided by specific appropriation, the Sec-
23 retary shall not allocate more than \$30,000,000 per
24 fiscal year (exclusive of costs of administering the
25 program) to grants under this section.

1 “(g) PROMOTION OF PROGRAMS.—

2 “(1) IN GENERAL.—The Secretary shall pro-
3 mote tax preparation through qualified return prepa-
4 ration programs through the use of mass commu-
5 nications and other means.

6 “(2) PROVISION OF INFORMATION REGARDING
7 QUALIFIED RETURN PREPARATION PROGRAMS.—The
8 Secretary may provide taxpayers information regard-
9 ing qualified return preparation programs receiving
10 grants under this section.

11 “(3) VITA GRANTEE REFERRAL.—Qualified re-
12 turn preparation programs receiving a grant under
13 this section are encouraged, in appropriate cases,
14 to—

15 “(A) advise taxpayers of the availability of,
16 and eligibility requirements for receiving, advice
17 and assistance from qualified low-income tax-
18 payer clinics receiving funding under section
19 7526, and

20 “(B) provide information regarding the lo-
21 cation of, and contact information for, such
22 clinics.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 for chapter 77 of such Code is amended by inserting after
25 the item relating to section 7526 the following new item:

“Sec. 7526A. Return preparation programs for low-income taxpayers.”.

1 **DIVISION C—IDENTITY PROTEC-**
2 **TION PERSONAL IDENTIFICA-**
3 **TION NUMBERS**

4 **SEC. 13001. IDENTITY PROTECTION PERSONAL IDENTIFICA-**
5 **TION NUMBERS.**

6 Not later than 5 years after the date of the enact-
7 ment of this Act, the Secretary of the Treasury or the
8 Secretary's delegate (hereafter referred to in this section
9 as the "Secretary") shall establish a program to issue,
10 upon the request of any individual, a number which may
11 be used in connection with such individual's social security
12 number (or other identifying information with respect to
13 such individual as determined by the Secretary) to assist
14 the Secretary in verifying such individual's identity.

15 **DIVISION D—PROVISION OF IN-**
16 **FORMATION REGARDING**
17 **LOW-INCOME TAXPAYER**
18 **CLINICS**

19 **SEC. 14001. PROVISION OF INFORMATION REGARDING LOW-**
20 **INCOME TAXPAYER CLINICS.**

21 (a) IN GENERAL.—Section 7526(c) of the Internal
22 Revenue Code of 1986 is amended by adding at the end
23 the following new paragraph:

24 “(6) PROVISION OF INFORMATION REGARDING
25 QUALIFIED LOW-INCOME TAXPAYER CLINICS.—Not-

1 withstanding any other provision of law, officers and
2 employees of the Department of the Treasury may—

3 “(A) advise taxpayers of the availability of,
4 and eligibility requirements for receiving, advice
5 and assistance from qualified low-income tax-
6 payer clinics receiving funding under this sec-
7 tion, and

8 “(B) provide information regarding the lo-
9 cation of, and contact information for, such
10 clinics.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall take effect on the date of the enactment
13 of this Act.

14 **DIVISION E—SINGLE POINT OF**
15 **CONTACT FOR TAX-RELATED**
16 **IDENTITY THEFT VICTIMS**

17 **SEC. 15001. SINGLE POINT OF CONTACT FOR TAX-RELATED**
18 **IDENTITY THEFT VICTIMS.**

19 (a) IN GENERAL.—The Secretary of the Treasury (or
20 the Secretary’s delegate) shall establish and implement
21 procedures to ensure that any taxpayer whose return has
22 been delayed or otherwise adversely affected due to tax-
23 related identity theft has a single point of contact at the
24 Internal Revenue Service throughout the processing of the
25 taxpayer’s case. The single point of contact shall track the

1 taxpayer's case to completion and coordinate with other
2 Internal Revenue Service employees to resolve case issues
3 as quickly as possible.

4 (b) SINGLE POINT OF CONTACT.—

5 (1) IN GENERAL.—For purposes of subsection
6 (a), the single point of contact shall consist of a
7 team or subset of specially trained employees who—

8 (A) have the ability to work across func-
9 tions to resolve the issues involved in the tax-
10 payer's case, and

11 (B) shall be accountable for handling the
12 case until its resolution.

13 (2) TEAM OR SUBSET.—The employees included
14 within the team or subset described in paragraph (1)
15 may change as required to meet the needs of the In-
16 ternal Revenue Service, provided that procedures
17 have been established to—

18 (A) ensure continuity of records and case
19 history, and

20 (B) notify the taxpayer when appropriate.

1 **DIVISION F—NOTICE FROM IRS**
2 **REGARDING CLOSURE OF**
3 **TAXPAYER ASSISTANCE CEN-**
4 **TER**

5 **SEC. 16001. NOTICE FROM IRS REGARDING CLOSURE OF**
6 **TAXPAYER ASSISTANCE CENTERS.**

7 Not later than 90 days before the date that a pro-
8 posed closure of a Taxpayer Assistance Center would take
9 effect, the Secretary of the Treasury (or the Secretary's
10 delegate) shall—

11 (1) make publicly available (including by non-
12 electronic means) a notice which—

13 (A) identifies the Taxpayer Assistance
14 Center proposed for closure and the date of
15 such proposed closure, and

16 (B) identifies the relevant alternative
17 sources of taxpayer assistance which may be
18 utilized by taxpayers affected by such proposed
19 closure, and

20 (2) submit to Congress a written report that in-
21 cludes—

22 (A) the information included in the notice
23 described in paragraph (1),

24 (B) the reasons for such proposed closure,
25 and

1 (C) such other information as the Sec-
2 retary may determine appropriate.

3 **DIVISION G—MANDATORY ELEC-**
4 **TRONIC FILING FOR ANNUAL**
5 **RETURNS OF EXEMPT ORGA-**
6 **NIZATIONS**

7 **SEC. 17001. MANDATORY ELECTRONIC FILING FOR ANNUAL**
8 **RETURNS OF EXEMPT ORGANIZATIONS.**

9 (a) IN GENERAL.—Section 6033 of the Internal Rev-
10 enue Code of 1986 is amended by redesignating subsection
11 (n) as subsection (o) and by inserting after subsection (m)
12 the following new subsection:

13 “(n) MANDATORY ELECTRONIC FILING.—Any orga-
14 nization required to file a return under this section shall
15 file such return in electronic form.”.

16 (b) INSPECTION OF ELECTRONICALLY FILED AN-
17 NUAL RETURNS.—Section 6104(b) of such Code is
18 amended by adding at the end the following: “Any annual
19 return required to be filed electronically under section
20 6033(n) shall be made available by the Secretary to the
21 public in machine readable format.”.

22 (c) EFFECTIVE DATE.—

23 (1) IN GENERAL.—Except as provided in para-
24 graph (2), the amendments made by this section

1 shall apply to returns filed for taxable years begin-
2 ning after the date of the enactment of this Act.

3 (2) TRANSITIONAL RELIEF.—

4 (A) SMALL ORGANIZATIONS.—

5 (i) IN GENERAL.—In the case of any
6 small organizations, or any other organiza-
7 tions for which the Secretary of the Treas-
8 ury or the Secretary’s delegate (hereafter
9 referred to in this paragraph as the “Sec-
10 retary”) determines the application of the
11 amendments made by subsection (a) would
12 cause undue burden without a delay, the
13 Secretary may delay the application of
14 such amendments, but not later than tax-
15 able years beginning 2 years after the date
16 of the enactment of this Act.

17 (ii) SMALL ORGANIZATION.—For pur-
18 poses of clause (i), the term “small organi-
19 zation” means any organization—

20 (I) the gross receipts of which for
21 the taxable year are less than
22 \$200,000, and

23 (II) the aggregate gross assets of
24 which at the end of the taxable year
25 are less than \$500,000.

1 (B) ORGANIZATIONS FILING FORM 990–
2 T.—In the case of any organization described
3 in section 511(a)(2) of the Internal Revenue
4 Code of 1986 which is subject to the tax im-
5 posed by section 511(a)(1) of such Code on its
6 unrelated business taxable income, or any orga-
7 nization required to file a return under section
8 6033 of such Code and include information
9 under subsection (e) thereof, the Secretary may
10 delay the application of the amendments made
11 by this section, but not later than taxable years
12 beginning 2 years after the date of the enact-
13 ment of this Act.

14 **DIVISION H—21ST CENTURY IRS**
15 **ACT**

16 **SEC. 18001. SHORT TITLE; ETC.**

17 (a) SHORT TITLE.—This division may be cited as the
18 “21st Century IRS Act”.

19 (b) AMENDMENT OF 1986 CODE.—Except as other-
20 wise expressly provided, whenever in this Act an amend-
21 ment or repeal is expressed in terms of an amendment
22 to, or repeal of, a section or other provision, the reference
23 shall be considered to be made to a section or other provi-
24 sion of the Internal Revenue Code of 1986.

1 (c) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

Sec. 18001. Short title; etc.

TITLE I—CYBERSECURITY AND IDENTITY PROTECTION

Sec. 18101. Public-private partnership to address identity theft refund fraud.

Sec. 18102. Recommendations of Electronic Tax Administration Advisory Committee regarding identity theft refund fraud.

Sec. 18103. Information sharing and analysis center.

Sec. 18104. Compliance by contractors with confidentiality safeguards.

Sec. 18105. Report on electronic payments.

TITLE II—DEVELOPMENT OF INFORMATION TECHNOLOGY

Sec. 18201. Management of Internal Revenue Service information technology.

Sec. 18202. Development of online accounts and portals.

Sec. 18203. Internet platform for Form 1099 filings.

TITLE III—MODERNIZATION OF CONSENT-BASED INCOME
 VERIFICATION SYSTEM

Sec. 18301. Disclosure of taxpayer information for third-party income verification.

Sec. 18302. Limit redisclosures and uses of consent-based disclosures of tax return information.

TITLE IV—EXPANDED USE OF ELECTRONIC SYSTEMS

Sec. 18401. Electronic filing of returns.

Sec. 18402. Uniform standards for the use of electronic signatures for disclosure authorizations to, and other authorizations of, practitioners.

Sec. 18403. Payment of taxes by debit and credit cards.

3 **TITLE I—CYBERSECURITY AND**
 4 **IDENTITY PROTECTION**

5 **SEC. 18101. PUBLIC-PRIVATE PARTNERSHIP TO ADDRESS**
 6 **IDENTITY THEFT REFUND FRAUD.**

7 The Secretary of the Treasury (or the Secretary's
 8 delegate) shall work collaboratively with the public and
 9 private sectors to protect taxpayers from identity theft re-
 10 fund fraud.

1 **SEC. 18102. RECOMMENDATIONS OF ELECTRONIC TAX AD-**
2 **MINISTRATION ADVISORY COMMITTEE RE-**
3 **GARDING IDENTITY THEFT REFUND FRAUD.**

4 The Secretary of the Treasury shall ensure that the
5 advisory group convened by the Secretary pursuant to sec-
6 tion 2001(b)(2) of the Internal Revenue Service Restruc-
7 turing and Reform Act of 1998 (commonly known as the
8 Electronic Tax Administration Advisory Committee) stud-
9 ies (including by providing organized public forums) and
10 makes recommendations to the Secretary regarding meth-
11 ods to prevent identity theft and refund fraud.

12 **SEC. 18103. INFORMATION SHARING AND ANALYSIS CEN-**
13 **TER.**

14 (a) IN GENERAL.—The Secretary of the Treasury (or
15 the Secretary’s delegate) may participate in an informa-
16 tion sharing and analysis center to centralize, standardize,
17 and enhance data compilation and analysis to facilitate
18 sharing actionable data and information with respect to
19 identity theft tax refund fraud.

20 (b) DEVELOPMENT OF PERFORMANCE METRICS.—
21 The Secretary of the Treasury (or the Secretary’s dele-
22 gate) shall develop metrics for measuring the success of
23 such center in detecting and preventing identity theft tax
24 refund fraud.

25 (c) DISCLOSURE.—

1 (1) IN GENERAL.—Section 6103(k) is amended
2 by adding at the end the following new paragraph:

3 “(13) DISCLOSURE OF RETURN INFORMATION
4 FOR PURPOSES OF CYBERSECURITY AND THE PRE-
5 VENTION OF IDENTITY THEFT TAX REFUND
6 FRAUD.—

7 “(A) IN GENERAL.—Under such proce-
8 dures and subject to such conditions as the Sec-
9 retary may prescribe, the Secretary may dis-
10 close specified return information to specified
11 ISAC participants to the extent that the Sec-
12 retary determines such disclosure is in further-
13 ance of effective Federal tax administration re-
14 lating to the detection or prevention of identity
15 theft tax refund fraud, validation of taxpayer
16 identity, authentication of taxpayer returns, or
17 detection or prevention of cybersecurity threats.

18 “(B) SPECIFIED ISAC PARTICIPANTS.—For
19 purposes of this paragraph—

20 “(i) IN GENERAL.—The term ‘speci-
21 fied ISAC participant’ means—

22 “(I) any person designated by
23 the Secretary as having primary re-
24 sponsibility for a function performed
25 with respect to the information shar-

1 ing and analysis center described in
2 section 18103(a) of the 21st Century
3 IRS Act, and

4 “(II) any person subject to the
5 requirements of section 7216 and
6 which is a participant in such infor-
7 mation sharing and analysis center.

8 “(ii) INFORMATION SHARING AGREE-
9 MENT.—Such term shall not include any
10 person unless such person has entered into
11 a written agreement with the Secretary
12 setting forth the terms and conditions for
13 the disclosure of information to such per-
14 son under this paragraph, including re-
15 quirements regarding the protection and
16 safeguarding of such information by such
17 person.

18 “(C) SPECIFIED RETURN INFORMATION.—
19 For purposes of this paragraph, the term ‘spec-
20 ified return information’ means—

21 “(i) in the case of a return which is
22 in connection with a case of potential iden-
23 tity theft refund fraud—

24 “(I) in the case of such return
25 filed electronically, the internet pro-

1 ocol address, device identification,
2 email domain name, speed of comple-
3 tion, method of authentication, refund
4 method, and such other return infor-
5 mation related to the electronic filing
6 characteristics of such return as the
7 Secretary may identify for purposes of
8 this subclause, and

9 “(II) in the case of such return
10 prepared by a tax return preparer,
11 identifying information with respect to
12 such tax return preparer, including
13 the preparer taxpayer identification
14 number and electronic filer identifica-
15 tion number of such preparer,

16 “(ii) in the case of a return which is
17 in connection with a case of a identity
18 theft refund fraud which has been con-
19 firmed by the Secretary (pursuant to such
20 procedures as the Secretary may provide),
21 the information referred to in subclauses
22 (I) and (II) of clause (i), the name and
23 taxpayer identification number of the tax-
24 payer as it appears on the return, and any
25 bank account and routing information pro-

1 vided for making a refund in connection
2 with such return, and

3 “(iii) in the case of any cybersecurity
4 threat to the Internal Revenue Service, in-
5 formation similar to the information de-
6 scribed in subclauses (I) and (II) of clause
7 (i) with respect to such threat.

8 “(D) RESTRICTION ON USE OF DISCLOSED
9 INFORMATION.—

10 “(i) DESIGNATED THIRD PARTIES.—
11 Any return information received by a per-
12 son described in subparagraph (B)(i)(I)
13 shall be used only for the purposes of and
14 to the extent necessary in—

15 “(I) performing the function such
16 person is designated to perform under
17 such subparagraph,

18 “(II) facilitating disclosures au-
19 thorized under subparagraph (A) to
20 persons described in subparagraph
21 (B)(i)(II), and

22 “(III) facilitating disclosures au-
23 thorized under subsection (d) to par-
24 ticipants in such information sharing
25 and analysis center.

1 “(ii) RETURN PREPARERS.—Any re-
2 turn information received by a person de-
3 scribed in subparagraph (B)(i)(II) shall be
4 treated for purposes of section 7216 as in-
5 formation furnished to such person for, or
6 in connection with, the preparation of a re-
7 turn of the tax imposed under chapter 1.

8 “(E) DATA PROTECTION AND SAFE-
9 GUARDS.—Return information disclosed under
10 this paragraph shall be subject to such protec-
11 tions and safeguards as the Secretary may re-
12 quire in regulations or other guidance or in the
13 written agreement referred to in subparagraph
14 (B)(ii). Such written agreement shall include a
15 requirement that any unauthorized access to in-
16 formation disclosed under this paragraph, and
17 any breach of any system in which such infor-
18 mation is held, be reported to the Treasury In-
19 spector General for Tax Administration.”.

20 (2) APPLICATION OF CIVIL AND CRIMINAL PEN-
21 ALTIES.—

22 (A) Section 6103(a)(3) is amended by
23 striking “subsection (k)(10)” and inserting
24 “paragraph (10) or (13) of subsection (k)”.

1 (B) Section 7213(a)(2) is amended by in-
2 serting “or (13)” after “(k)(10)”.

3 **SEC. 18104. COMPLIANCE BY CONTRACTORS WITH CON-**
4 **FIDENTIALITY SAFEGUARDS.**

5 (a) IN GENERAL.—Section 6103(p) is amended by
6 adding at the end the following new paragraph:

7 “(9) DISCLOSURE TO CONTRACTORS AND
8 OTHER AGENTS.—Notwithstanding any other provi-
9 sion of this section, no return or return information
10 shall be disclosed to any contractor or other agent
11 of a Federal, State, or local agency unless such
12 agency, to the satisfaction of the Secretary—

13 “(A) has requirements in effect which re-
14 quire each such contractor or other agent which
15 would have access to returns or return informa-
16 tion to provide safeguards (within the meaning
17 of paragraph (4)) to protect the confidentiality
18 of such returns or return information,

19 “(B) agrees to conduct an on-site review
20 every 3 years (or a mid-point review in the case
21 of contracts or agreements of less than 3 years
22 in duration) of each contractor or other agent
23 to determine compliance with such require-
24 ments,

1 “(C) submits the findings of the most re-
2 cent review conducted under subparagraph (B)
3 to the Secretary as part of the report required
4 by paragraph (4)(E), and

5 “(D) certifies to the Secretary for the most
6 recent annual period that such contractor or
7 other agent is in compliance with all such re-
8 quirements.

9 The certification required by subparagraph (D) shall
10 include the name and address of each contractor and
11 other agent, a description of the contract or agree-
12 ment with such contractor or other agent, and the
13 duration of such contract or agreement. The require-
14 ments of this paragraph shall not apply to disclo-
15 sures pursuant to subsection (n) for purposes of
16 Federal tax administration.”.

17 (b) CONFORMING AMENDMENT.—Section
18 6103(p)(8)(B) is amended by inserting “or paragraph
19 (9)” after “subparagraph (A)”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to disclosures made after Decem-
22 ber 31, 2022.

23 **SEC. 18105. REPORT ON ELECTRONIC PAYMENTS.**

24 Not later than 2 years after the date of the enact-
25 ment of this Act, the Secretary (or the Secretary’s dele-

1 gate), in coordination with the Bureau of Fiscal Service
2 and the Internal Revenue Service, and in consultation with
3 private sector financial institutions, shall submit a written
4 report to Congress describing how the government can uti-
5 lize new payment platforms to increase the number of tax
6 refunds paid by electronic funds transfer. Such report
7 shall weigh the interests of reducing identity theft tax re-
8 fund fraud, reducing the Federal Government’s costs in
9 delivering tax refunds, the costs and any associated fees
10 charged to taxpayers (including monthly and point-of-serv-
11 ice fees) to access their tax refunds, the impact on individ-
12 uals who do not have access to financial accounts or insti-
13 tutions, and ensuring payments are made to accounts at
14 a financial institution that complies with section 21 of the
15 Federal Deposit Insurance Act, chapter 2 of title I of Pub-
16 lic Law 91–508, and subchapter II of chapter 53 of title
17 31, United States Code (commonly referred to collectively
18 as the “Bank Secrecy Act”) and the USA PATRIOT Act.
19 Such report shall include any legislative recommendations
20 necessary to accomplish these goals.

1 **TITLE II—DEVELOPMENT OF**
2 **INFORMATION TECHNOLOGY**

3 **SEC. 18201. MANAGEMENT OF INTERNAL REVENUE SERV-**
4 **ICE INFORMATION TECHNOLOGY.**

5 (a) DUTIES AND RESPONSIBILITIES OF INTERNAL
6 REVENUE SERVICE CHIEF INFORMATION OFFICER.—Sec-
7 tion 7803 is amended by adding at the end the following
8 new subsection:

9 “(f) INTERNAL REVENUE SERVICE CHIEF INFORMA-
10 TION OFFICER.—

11 “(1) IN GENERAL.—There shall be in the Inter-
12 nal Revenue Service an Internal Revenue Service
13 Chief Information Officer (hereafter referred to in
14 this subsection as the ‘IRS CIO’) who shall be ap-
15 pointed by the Administrator of the Internal Rev-
16 enue Service.

17 “(2) CENTRALIZED RESPONSIBILITY FOR IN-
18 TERNAL REVENUE SERVICE INFORMATION TECH-
19 NOLOGY.—The Administrator of the Internal Rev-
20 enue Service (and the Secretary) shall act through
21 the IRS CIO with respect to all development, imple-
22 mentation, and maintenance of information tech-
23 nology for the Internal Revenue Service. Any ref-
24 erence in this subsection to the IRS CIO which di-
25 rects the IRS CIO to take any action, or to assume

1 any responsibility, shall be treated as a reference to
2 the Administrator of the Internal Revenue Service
3 acting through the IRS CIO.

4 “(3) GENERAL DUTIES AND RESPONSIBIL-
5 ITIES.—The IRS CIO shall—

6 “(A) be responsible for the development,
7 implementation, and maintenance of informa-
8 tion technology for the Internal Revenue Serv-
9 ice,

10 “(B) ensure that the information tech-
11 nology of the Internal Revenue Service is secure
12 and integrated,

13 “(C) maintain operational control of all in-
14 formation technology for the Internal Revenue
15 Service,

16 “(D) be the principal advocate for the in-
17 formation technology needs of the Internal Rev-
18 enue Service, and

19 “(E) consult with the Chief Procurement
20 Officer of the Internal Revenue Service to en-
21 sure that the information technology acquired
22 for the Internal Revenue Service is consistent
23 with—

1 “(i) the goals and requirements speci-
2 fied in subparagraphs (A) through (D),
3 and

4 “(ii) the strategic plan developed
5 under paragraph (4).

6 “(4) STRATEGIC PLAN.—

7 “(A) IN GENERAL.—The IRS CIO shall
8 develop and implement a multiyear strategic
9 plan for the information technology needs of the
10 Internal Revenue Service. Such plan shall—

11 “(i) include performance measure-
12 ments of such technology and of the imple-
13 mentation of such plan,

14 “(ii) include a plan for an integrated
15 enterprise architecture of the information
16 technology of the Internal Revenue Service,

17 “(iii) include and take into account
18 the resources needed to accomplish such
19 plan,

20 “(iv) take into account planned major
21 acquisitions of information technology by
22 the Internal Revenue Service, including
23 Customer Account Data Engine 2 and the
24 Enterprise Case Management System, and

1 “(v) align with the needs and stra-
2 tegic plan of the Internal Revenue Service.

3 “(B) PLAN UPDATES.—The IRS CIO
4 shall, not less frequently than annually, review
5 and update the strategic plan under subpara-
6 graph (A) (including the plan for an integrated
7 enterprise architecture described in subpara-
8 graph (A)(ii)) to take into account the develop-
9 ment of new information technology and the
10 needs of the Internal Revenue Service.

11 “(5) SCOPE OF AUTHORITY.—

12 “(A) INFORMATION TECHNOLOGY.—For
13 purposes of this subsection, the term ‘informa-
14 tion technology’ has the meaning given such
15 term by section 11101 of title 40, United States
16 Code.

17 “(B) INTERNAL REVENUE SERVICE.—Any
18 reference in this subsection to the Internal Rev-
19 enue Service includes a reference to all compo-
20 nents of the Internal Revenue Service, includ-
21 ing—

22 “(i) the Office of the Taxpayer Advo-
23 cate,

24 “(ii) the Criminal Investigation Divi-
25 sion of the Internal Revenue Service, and

1 “(iii) except as otherwise provided by
2 the Secretary with respect to information
3 technology related to matters described in
4 subsection (b)(3)(B), the Office of the
5 Chief Counsel.”.

6 (b) INDEPENDENT VERIFICATION AND VALIDATION
7 OF THE CUSTOMER ACCOUNT DATA ENGINE 2 AND EN-
8 TERPRISE CASE MANAGEMENT SYSTEM.—

9 (1) IN GENERAL.—The Administrator of the In-
10 ternal Revenue Service shall enter into a contract
11 with an independent reviewer to verify and validate
12 the implementation plans (including the performance
13 milestones and cost estimates included in such
14 plans) developed for the Customer Account Data
15 Engine 2 and the Enterprise Case Management Sys-
16 tem.

17 (2) DEADLINE FOR COMPLETION.—Such con-
18 tract shall require that such verification and valida-
19 tion be completed not later than the date which is
20 1 year after the date of the enactment of this Act.

21 (3) APPLICATION TO PHASES OF CADE 2.—

22 (A) IN GENERAL.—Paragraphs (1) and (2)
23 shall not apply to phase 1 of the Customer Ac-
24 count Data Engine 2 and shall apply separately
25 to each other phase.

1 (B) DEADLINE FOR COMPLETING
2 PLANS.—Not later than 1 year after the date of
3 the enactment of this Act, the Administrator of
4 the Internal Revenue Service shall complete the
5 development of plans for all phases of the Cus-
6 tomer Account Data Engine 2.

7 (C) DEADLINE FOR COMPLETION OF
8 VERIFICATION AND VALIDATION OF PLANS.—In
9 the case of any phase after phase 2 of the Cus-
10 tomer Account Data Engine 2, paragraph (2)
11 shall be applied by substituting “the date on
12 which the plan for such phase was completed”
13 for “the date of the enactment of this Act”.

14 (c) COORDINATION OF IRS CIO AND CHIEF PRO-
15 CUREMENT OFFICER OF THE INTERNAL REVENUE SERV-
16 ICE.—

17 (1) IN GENERAL.—The Chief Procurement Offi-
18 cer of the Internal Revenue Service shall—

19 (A) identify all significant IRS information
20 technology acquisitions and provide written no-
21 tification to the Internal Revenue Service Chief
22 Information Officer (hereafter referred to in
23 this subsection as the “IRS CIO”) of each such
24 acquisition in advance of such acquisition, and

1 (B) regularly consult with the IRS CIO re-
2 garding acquisitions of information technology
3 for the Internal Revenue Service, including
4 meeting with the IRS CIO regarding such ac-
5 quisitions upon request.

6 (2) SIGNIFICANT IRS INFORMATION TECH-
7 NOLOGY ACQUISITIONS.—For purposes of this sub-
8 section, the term “significant IRS information tech-
9 nology acquisitions” means—

10 (A) any acquisition of information tech-
11 nology for the Internal Revenue Service in ex-
12 cess of \$1,000,000, and

13 (B) such other acquisitions of information
14 technology for the Internal Revenue Service (or
15 categories of such acquisitions) as the IRS CIO,
16 in consultation with the Chief Procurement Of-
17 ficer of the Internal Revenue Service, may iden-
18 tify.

19 (3) SCOPE.—Terms used in this subsection
20 which are also used in section 7803(f) of the Inter-
21 nal Revenue Code of 1986 (as amended by sub-
22 section (a)) shall have the same meaning as when
23 used in such section.

1 **SEC. 18202. DEVELOPMENT OF ONLINE ACCOUNTS AND**
2 **PORTALS.**

3 (a) IN GENERAL.—The Secretary of the Treasury or
4 the Secretary’s delegate (hereafter referred to in this sec-
5 tion as the “Secretary”) shall—

6 (1) develop secure individualized online ac-
7 counts to provide services to taxpayers and their
8 designated return preparers, including obtaining tax-
9 payer information, making payment of taxes, shar-
10 ing documentation, and (to the extent feasible) ad-
11 dressing and correcting issues, and

12 (2) develop a process for the acceptance of tax
13 forms, and supporting documentation, in digital or
14 other electronic format.

15 (b) ELECTRONIC SERVICES TREATED AS SUPPLE-
16 MENTAL; APPLICATION OF SECURITY STANDARDS.—The
17 Secretary shall ensure that the processes described in sub-
18 section (a)—

19 (1) are a supplement to, and not a replacement
20 for, other services provided by the Internal Revenue
21 Service to taxpayers, including face-to-face taxpayer
22 assistance and services provided by phone, and

23 (2) comply with applicable security standards
24 and guidelines.

25 (c) PROCESS FOR DEVELOPING ONLINE AC-
26 COUNTS.—

1 (1) DEVELOPMENT OF PLAN.—Not later than 1
2 year after the date of the enactment of this Act, the
3 Secretary shall submit to Congress a written report
4 describing the Secretary’s plan for developing the se-
5 cure individualized online accounts described in sub-
6 section (a)(1). Such plan shall address the feasibility
7 of taxpayers addressing and correcting issues
8 through such accounts and whether access to such
9 accounts should be restricted and in what manner.

10 (2) DEADLINE.—The Secretary shall make
11 every reasonable effort to make the secure individ-
12 ualized online accounts described in subsection
13 (a)(1) available to taxpayers by December 31, 2023.

14 **SEC. 18203. INTERNET PLATFORM FOR FORM 1099 FILINGS.**

15 (a) IN GENERAL.—Not later than January 1, 2023,
16 the Secretary of the Treasury or the Secretary’s delegate
17 (hereafter referred to in this section as the “Secretary”)
18 shall make available an Internet website or other elec-
19 tronic media, with a user interface and functionality simi-
20 lar to the Business Services Online Suite of Services pro-
21 vided by the Social Security Administration, that will pro-
22 vide access to resources and guidance provided by the In-
23 ternal Revenue Service and will allow persons to—

24 (1) prepare and file Forms 1099,

1 (2) prepare Forms 1099 for distribution to re-
2 cipients other than the Internal Revenue Service,
3 and

4 (3) maintain a record of completed and sub-
5 mitted Forms 1099.

6 (b) ELECTRONIC SERVICES TREATED AS SUPPLE-
7 MENTAL; APPLICATION OF SECURITY STANDARDS.—The
8 Secretary shall ensure that the services described in sub-
9 section (a)—

10 (1) are a supplement to, and not a replacement
11 for, other services provided by the Internal Revenue
12 Service to taxpayers, and

13 (2) comply with applicable security standards
14 and guidelines.

15 **TITLE III—MODERNIZATION OF**
16 **CONSENT-BASED INCOME**
17 **VERIFICATION SYSTEM**

18 **SEC. 18301. DISCLOSURE OF TAXPAYER INFORMATION FOR**

19 **THIRD-PARTY INCOME VERIFICATION.**

20 (a) IN GENERAL.—Not later than 1 year after the
21 close of the 2-year period described in subsection (d)(1),
22 the Secretary of the Treasury or the Secretary’s delegate
23 (hereafter referred to in this section as the “Secretary”)
24 shall implement a program to ensure that any qualified
25 disclosure—

1 (1) is fully automated and accomplished
2 through the Internet, and

3 (2) is accomplished in as close to real-time as
4 is practicable.

5 (b) QUALIFIED DISCLOSURE.—For purposes of this
6 section, the term “qualified disclosure” means a disclosure
7 under section 6103(c) of the Internal Revenue Code of
8 1986 of returns or return information by the Secretary
9 to a person seeking to verify the income or creditworthi-
10 ness of a taxpayer who is a borrower in the process of
11 a loan application.

12 (c) APPLICATION OF SECURITY STANDARDS.—The
13 Secretary shall ensure that the program described in sub-
14 section (a) complies with applicable security standards and
15 guidelines.

16 (d) USER FEE.—

17 (1) IN GENERAL.—During the 2-year period be-
18 ginning on the first day of the 6th calendar month
19 beginning after the date of the enactment of this
20 Act, the Secretary shall assess and collect a fee for
21 qualified disclosures (in addition to any other fee as-
22 sessed and collected for such disclosures) at such
23 rates as the Secretary determines are sufficient to
24 cover the costs related to implementing the program

1 described in subsection (a), including the costs of
2 any necessary infrastructure or technology.

3 (2) DEPOSIT OF COLLECTIONS.—Amounts re-
4 ceived from fees assessed and collected under para-
5 graph (1) shall be deposited in, and credited to, an
6 account solely for the purpose of carrying out the
7 activities described in subsection (a). Such amounts
8 shall be available to carry out such activities without
9 need of further appropriation and without fiscal year
10 limitation.

11 **SEC. 18302. LIMIT REDISCLOSURES AND USES OF CONSENT-**
12 **BASED DISCLOSURES OF TAX RETURN INFOR-**
13 **MATION.**

14 (a) IN GENERAL.—Section 6103(e) is amended by
15 adding at the end the following: “Persons designated by
16 the taxpayer under this subsection to receive return infor-
17 mation shall not use the information for any purpose other
18 than the express purpose for which consent was granted
19 and shall not disclose return information to any other per-
20 son without the express permission of, or request by, the
21 taxpayer.”.

22 (b) APPLICATION OF PENALTIES.—Section
23 6103(a)(3) is amended by inserting “subsection (c),” after
24 “return information under”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to disclosures made after the date
3 of the enactment of this Act.

4 **TITLE IV—EXPANDED USE OF**
5 **ELECTRONIC SYSTEMS**

6 **SEC. 18401. ELECTRONIC FILING OF RETURNS.**

7 (a) IN GENERAL.—Section 6011(e)(2)(A) is amended
8 by striking “250” and inserting “the applicable number
9 of”.

10 (b) APPLICABLE NUMBER.—Section 6011(e) is
11 amended by adding at the end the following new para-
12 graph:

13 “(6) APPLICABLE NUMBER.—For purposes of
14 paragraph (2)(A), the applicable number shall be de-
15 termined in accordance with the following table:

16 “(A) in the case of calendar years before
17 2020, 250,

18 “(B) in the case of calendar year 2020,
19 100, and

20 “(C) in the case of calendar years after
21 2020, 10.”.

22 (c) RETURNS FILED BY A TAX RETURN PRE-
23 PARER.—Section 6011(e)(3) is amended by adding at the
24 end the following new subparagraph:

1 “(D) EXCEPTION FOR CERTAIN PRE-
2 PARERS LOCATED IN AREAS WITHOUT INTER-
3 NET ACCESS.—The Secretary may waive the re-
4 quirement of subparagraph (A) if the Secretary
5 determines, on the basis of an application by
6 the tax return preparer, that the preparer can-
7 not meet such requirement by reason of being
8 located in a geographic area which does not
9 have access to internet service (other than dial-
10 up or satellite service).”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall take effect on the date of the enactment
13 of this Act.

14 **SEC. 18402. UNIFORM STANDARDS FOR THE USE OF ELEC-**
15 **TRONIC SIGNATURES FOR DISCLOSURE AU-**
16 **THORIZATIONS TO, AND OTHER AUTHORIZA-**
17 **TIONS OF, PRACTITIONERS.**

18 Section 6061(b)(3) is amended to read as follows:

19 “(3) PUBLISHED GUIDANCE.—

20 “(A) IN GENERAL.—The Secretary shall
21 publish guidance as appropriate to define and
22 implement any waiver of the signature require-
23 ments or any method adopted under paragraph
24 (1).

1 “(B) ELECTRONIC SIGNATURES FOR DIS-
2 CLOSURE AUTHORIZATIONS TO, AND OTHER AU-
3 THORIZATIONS OF, PRACTITIONERS.—Not later
4 than 6 months after the date of the enactment
5 of this subparagraph, the Secretary shall pub-
6 lish guidance to establish uniform standards
7 and procedures for the acceptance of taxpayers’
8 signatures appearing in electronic form with re-
9 spect to any request for disclosure of a tax-
10 payer’s return or return information under sec-
11 tion 6103(c) to a practitioner or any power of
12 attorney granted by a taxpayer to a practi-
13 tioner.

14 “(C) PRACTITIONER.—For purposes of
15 subparagraph (B), the term ‘practitioner’
16 means any individual in good standing who is
17 regulated under section 330 of title 31, United
18 States Code.”.

19 **SEC. 18403. PAYMENT OF TAXES BY DEBIT AND CREDIT**
20 **CARDS.**

21 Section 6311(d)(2) is amended by adding at the end
22 the following: “The preceding sentence shall not apply to
23 the extent that the Secretary ensures that any such fee
24 or other consideration is fully recouped by the Secretary
25 in the form of fees paid to the Secretary by persons paying

1 taxes imposed under subtitle A with credit, debit, or
 2 charge cards pursuant to such contract. Notwithstanding
 3 the preceding sentence, the Secretary shall seek to mini-
 4 mize the amount of any fee or other consideration that
 5 the Secretary pays under any such contract.”.

6 **DIVISION I—RULES FOR SEI-**
 7 **ZURE AND SALE OF PERISH-**
 8 **ABLE GOODS RESTRICTED TO**
 9 **ONLY PERISHABLE GOODS**

10 **SEC. 19001. RULES FOR SEIZURE AND SALE OF PERISHABLE**
 11 **GOODS RESTRICTED TO ONLY PERISHABLE**
 12 **GOODS.**

13 (a) **IN GENERAL.**—Section 6336 of the Internal Rev-
 14 enue Code of 1986 is amended by striking “or become
 15 greatly reduced in price or value by keeping, or that such
 16 property cannot be kept without great expense”.

17 (b) **EFFECTIVE DATE.**—The amendment made by
 18 this section shall apply to property seized after the date
 19 of the enactment of this Act.

Passed the House of Representatives April 18, 2018.

Attest:

KAREN L. HAAS,

Clerk.