

Mr. ESTES of Kansas. Mr. Speaker, I was not present for rollcall vote No. 467 on Motion to Table. Had I been present, I would have voted “yea.”

**SHILOH NATIONAL MILITARY PARK BOUNDARY ADJUSTMENT AND PARKER'S CROSSROADS BATTLEFIELD DESIGNATION**

Mr. BRADY of Texas. Mr. Speaker, pursuant to House Resolution 1181, I call up the bill (H.R. 88) to modify the boundary of the Shiloh National Military Park located in Tennessee and Mississippi, to establish Parker's Crossroads Battlefield as an affiliated area of the National Park System, and for other purposes, with the Senate amendment thereto, and ask for its immediate consideration.

The Clerk read the title of the bill. The SPEAKER pro tempore (Mr. MITCHELL). The Clerk will designate the Senate amendment.

Senate amendment:

Strike out all after the enacting clause and insert:

**SECTION 1. SHORT TITLE.**

*This Act may be cited as the “Shiloh National Military Park Boundary Adjustment and Parker's Crossroads Battlefield Designation Act”.*

**SEC. 2. DEFINITIONS.**

*In this Act:*

(1) **AFFILIATED AREA.**—The term “affiliated area” means the Parker's Crossroads Battlefield established as an affiliated area of the National Park System by section 4(a).

(2) **PARK.**—The term “Park” means Shiloh National Military Park, a unit of the National Park System.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

**SEC. 3. AREAS TO BE ADDED TO SHILOH NATIONAL MILITARY PARK.**

(a) **ADDITIONAL AREAS.**—The boundary of the Park is modified to include the areas that are generally depicted on the map entitled “Shiloh National Military Park, Proposed Boundary Adjustment”, numbered 304/80,011, and dated July 2014, and which are comprised of the following:

- (1) Fallen Timbers Battlefield.
- (2) Russell House Battlefield.
- (3) Davis Bridge Battlefield.

(b) **ACQUISITION AUTHORITY.**—The Secretary may acquire the land described in subsection (a) by donation or exchange.

(c) **ADMINISTRATION.**—Any land acquired under this section shall be administered as part of the Park.

**SEC. 4. ESTABLISHMENT OF AFFILIATED AREA.**

(a) **IN GENERAL.**—Parker's Crossroads Battlefield in the State of Tennessee is established as an affiliated area of the National Park System.

(b) **DESCRIPTION OF AFFILIATED AREA.**—The affiliated area shall consist of the area generally depicted within the “Proposed Boundary” on the map entitled “Parker's Crossroads Battlefield, Proposed Boundary”, numbered 903/80,073, and dated July 2014.

(c) **ADMINISTRATION.**—The affiliated area shall be managed in accordance with—

- (1) this Act; and
- (2) any law generally applicable to units of the National Park System.

(d) **MANAGEMENT ENTITY.**—The City of Parker's Crossroads and the Tennessee Historical Commission shall jointly be the management entity for the affiliated area.

(e) **COOPERATIVE AGREEMENTS.**—The Secretary may provide technical assistance and enter into cooperative agreements with the man-

agement entity for the purpose of providing financial assistance for the marketing, marking, interpretation, and preservation of the affiliated area.

(f) **LIMITED ROLE OF THE SECRETARY.**—Nothing in this Act authorizes the Secretary to acquire property at the affiliated area or to assume overall financial responsibility for the operation, maintenance, or management of the affiliated area.

(g) **GENERAL MANAGEMENT PLAN.**—

(1) **IN GENERAL.**—The Secretary, in consultation with the management entity, shall develop a general management plan for the affiliated area in accordance with section 100502 of title 54, United States Code.

(2) **TRANSMITTAL.**—Not later than 3 years after the date on which funds are made available to carry out this Act, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate the general management plan developed under paragraph (1).

**MOTION TO CONCUR**

Mr. BRADY of Texas. Mr. Speaker, I have a motion at the desk.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows: Mr. Brady of Texas moves that the House concur in the Senate amendment to H.R. 88 with an amendment consisting of the text of Rules Committee Print 115–87.

The SPEAKER pro tempore. Pursuant to House Resolution 1180, the amendment consisting of the text of Rules Committee Print 115–87 shall be considered as read.

The text of the House amendment to the Senate amendment to the text is as follows:

In lieu of the matter proposed to be inserted by the Senate, insert the following:

**DIVISION A—RETIREMENT, SAVINGS, AND OTHER TAX RELIEF ACT OF 2018**

**SECTION 1. SHORT TITLE, ETC.**

(a) **SHORT TITLE.**—This division may be cited as the Retirement, Savings, and Other Tax Relief Act of 2018.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) **TABLE OF CONTENTS.**—The table of contents for this division is as follows:

Sec. 1. Short title, etc.

**TITLE I—DISASTER TAX RELIEF**

Sec. 101. Definitions.

Sec. 102. Special disaster-related rules for use of retirement funds.

Sec. 103. Employee retention credit for employers affected by qualified disasters.

Sec. 104. Other disaster-related tax relief provisions.

Sec. 105. Treatment of certain possessions.

Sec. 106. Automatic extension of filing deadline.

**TITLE II—RETIREMENT AND SAVINGS**

**Subtitle A—Expanding and Preserving Retirement Savings**

Sec. 201. Multiple employer plans; pooled employer plans.

Sec. 202. Rules relating to election of safe harbor 401(k) status.

Sec. 203. Certain taxable non-tuition fellowship and stipend payments treated as compensation for IRA purposes.

Sec. 204. Repeal of maximum age for traditional IRA contributions.

Sec. 205. Qualified employer plans prohibited from making loans through credit cards and other similar arrangements.

Sec. 206. Portability of lifetime income investments.

Sec. 207. Treatment of custodial accounts on termination of section 403(b) plans.

Sec. 208. Clarification of retirement income account rules relating to church-controlled organizations.

Sec. 209. Increase in 10 percent cap for automatic enrollment safe harbor after 1st plan year.

Sec. 210. Increase in credit limitation for small employer pension plan startup costs.

Sec. 211. Small employer automatic enrollment credit.

Sec. 212. Exemption from required minimum distribution rules for individuals with certain account balances.

Sec. 213. Elective deferrals by members of the Ready Reserve of a reserve component of the Armed Forces.

**Subtitle B—Administrative Improvements**

Sec. 221. Plan adopted by filing due date for year may be treated as in effect as of close of year.

Sec. 222. Modification of nondiscrimination rules to protect older, longer service participants.

Sec. 223. Fiduciary safe harbor for selection of lifetime income provider.

Sec. 224. Disclosure regarding lifetime income.

Sec. 225. Modification of PBGC premiums for CSEC plans.

**Subtitle C—Other Savings Provisions**

Sec. 231. Expansion of section 529 plans.

Sec. 232. Penalty-free withdrawals from retirement plans for individuals in case of birth of child or adoption.

**TITLE III—REPEAL OR DELAY OF CERTAIN HEALTH-RELATED TAXES**

Sec. 301. Extension of moratorium on medical device excise tax.

Sec. 302. Delay in implementation of excise tax on high cost employer-sponsored health coverage.

Sec. 303. Extension of suspension of annual fee on health insurance providers.

Sec. 304. Repeal of excise tax on indoor tanning services.

**TITLE IV—CERTAIN EXPIRING PROVISIONS**

Sec. 401. Railroad track maintenance credit made permanent.

Sec. 402. Biodiesel and renewable diesel provisions extended and phased out.

**TITLE V—OTHER PROVISIONS**

Sec. 501. Technical amendments relating to Public Law 115–97.

Sec. 502. Clarification of treatment of veterans as specified group for purposes of the low-income housing tax credit.

Sec. 503. Clarification of general public use requirement for qualified residential rental projects.

Sec. 504. Floor plan financing applicable to certain trailers and campers.

Sec. 505. Repeal of increase in unrelated business taxable income by disallowed fringe.

Sec. 506. Certain purchases of employee-owned stock disregarded for purposes of foundation tax on excess business holdings.

Sec. 507. Allowing 501(c)(3) organization to make statements relating to political campaign in ordinary course of carrying out its tax exempt purpose.

Sec. 508. Charitable organizations permitted to make collegiate housing and infrastructure grants.

Sec. 509. Restriction on regulation of contingency fees with respect to tax returns, etc.

**TITLE I—DISASTER TAX RELIEF**

**SEC. 101. DEFINITIONS.**

For purposes of this title—

## (1) GENERAL DEFINITIONS.—

(A) QUALIFIED DISASTER AREA.—The term “qualified disaster area” means the Hurricane Florence disaster area; the Hurricane Michael disaster area; the Typhoon Mangkhut disaster area; the Typhoon Yutu disaster area; the Mendocino wildfire disaster area; the Camp and Woolsey wildfire disaster area; the Kilauea volcanic eruption and earthquakes disaster area; the Hawaii severe storms, flooding, landslides, and mudslides disaster area; the Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides disaster area; the Texas severe storms and flooding disaster area; the North Carolina tornado and severe storms disaster area; the Indiana severe storms and flooding disaster area; the Alabama severe storms and tornadoes disaster area; and the Tropical Storm Gita disaster area.

(B) QUALIFIED DISASTER ZONE.—The term “qualified disaster zone” means that portion of any qualified disaster area which is determined by the President to warrant individual or individual and public assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the qualified disaster with respect to such disaster area.

(C) QUALIFIED DISASTER.—The term “qualified disaster” means, with respect to any qualified disaster area, the disaster by reason of which a major disaster was declared with respect to such area.

## (2) HURRICANE FLORENCE.—

(A) HURRICANE FLORENCE DISASTER AREA.—The term “Hurricane Florence disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Florence.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Hurricane Florence is September 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Hurricane Florence is the period beginning on the incident beginning date of Hurricane Florence and ending on October 8, 2018.

## (3) HURRICANE MICHAEL.—

(A) HURRICANE MICHAEL DISASTER AREA.—The term “Hurricane Michael disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Michael.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Hurricane Michael is October 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Hurricane Michael is the period beginning on the incident beginning date of Hurricane Michael and ending on October 23, 2018.

## (4) TYPHOON MANGKHUT.—

(A) TYPHOON MANGKHUT DISASTER AREA.—The term “Typhoon Mangkhut disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Typhoon Mangkhut.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Typhoon Mangkhut is September 10, 2018.

(C) INCIDENT PERIOD.—The incident period of Typhoon Mangkhut is the period beginning on the incident beginning date of Typhoon Mangkhut and ending on September 11, 2018.

## (5) TYPHOON YUTU.—

(A) TYPHOON YUTU DISASTER AREA.—The term “Typhoon Yutu disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Typhoon Yutu.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Typhoon Yutu is October 24, 2018.

(C) INCIDENT PERIOD.—The incident period of Typhoon Yutu is the period beginning on the incident beginning date of Typhoon Yutu and ending on October 26, 2018.

## (6) MENDOCINO WILDFIRE.—

(A) MENDOCINO WILDFIRE DISASTER AREA.—The term “Mendocino wildfire disaster area” means an area with respect to which, during the period beginning on August 4, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the wildfire in California commonly known as the Mendocino wildfire of 2018 (including the Carr wildfire of 2018).

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the wildfires referred to in subparagraph (A) is July 23, 2018.

(C) INCIDENT PERIOD.—The incident period of the wildfires referred to in subparagraph (A) is the period beginning on the incident beginning date of such wildfires and ending on September 19, 2018.

## (7) CAMP AND WOOLSEY WILDFIRES.—

(A) CAMP AND WOOLSEY WILDFIRE DISASTER AREA.—The term “Camp and Woolsey wildfire disaster area” means an area with respect to which, during the period beginning on November 12, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the wildfires in California commonly known as the Camp and Woolsey wildfires of 2018 (including the Hill wildfire of 2018).

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the wildfires referred to in subparagraph (A) is November 8, 2018.

(C) INCIDENT PERIOD.—The incident period of the wildfires referred to in subparagraph (A) is the period beginning on the incident beginning date of such wildfires and ending on November 25, 2018.

## (8) KILAUEA VOLCANIC ERUPTION AND EARTHQUAKES.—

(A) KILAUEA VOLCANIC ERUPTION AND EARTHQUAKES DISASTER AREA.—The term “Kilauea volcanic eruption and earthquakes disaster area” means an area with respect to which, during the period beginning on May 11, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the Kilauea volcanic eruption and earthquakes occurring in Hawaii during the period beginning on May 3, 2018, and ending on August 17, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the volcanic eruption and earthquakes referred to in subparagraph (A) is May 3, 2018.

(C) INCIDENT PERIOD.—The incident period of the volcanic eruption and earthquakes referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such eruption and earthquakes and ending on August 17, 2018.

## (9) HAWAII SEVERE STORMS, FLOODING, LANDSLIDES, AND MUDSLIDES.—

(A) HAWAII SEVERE STORMS, FLOODING, LANDSLIDES, AND MUDSLIDES DISASTER AREA.—The term “Hawaii severe storms, flooding, landslides, and mudslides disaster area” means an area with respect to which, during the period beginning on May 8, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms, flooding, landslides, and mudslides occurring in Hawaii during the period beginning on April 13, 2018, and ending on April 16, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms, flooding, landslides, and mudslides referred to in subparagraph (A) is April 13, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms, flooding, landslides, and mudslides referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms, flooding, landslides, and mudslides and ending on April 16, 2018.

## (10) WISCONSIN SEVERE STORMS, TORNADOES, STRAIGHT-LINE WINDS, FLOODING, AND LANDSLIDES.—

(A) WISCONSIN SEVERE STORMS, TORNADOES, STRAIGHT-LINE WINDS, FLOODING, AND LANDSLIDES DISASTER AREA.—The term “Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides disaster area” means an area with respect to which, during the period beginning on October 18, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms, tornadoes, straight-line winds, flooding, and landslides occurring in Wisconsin during the period beginning on August 17, 2018, and ending on September 14, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms, tornadoes, straight-line winds, flooding, and landslides referred to in subparagraph (A) is August 17, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms, tornadoes, straight-line winds, flooding, and landslides referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms, tornadoes, straight-line winds, flooding, and landslides and ending on September 14, 2018.

## (11) TEXAS SEVERE STORMS AND FLOODING.—

(A) TEXAS SEVERE STORMS AND FLOODING DISASTER AREA.—The term “Texas severe storms and flooding disaster area” means an area with respect to which, during the period beginning on July 6, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and flooding occurring in Texas during the period beginning on June 19, 2018, and ending on July 13, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and flooding referred to in subparagraph (A) is June 19, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms and flooding referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms and flooding and ending on July 13, 2018.

## (12) NORTH CAROLINA TORNADO AND SEVERE STORMS.—

(A) NORTH CAROLINA TORNADO AND SEVERE STORMS DISASTER AREA.—The term “North Carolina tornado and severe storms disaster area” means an area with respect to which, during the period beginning on May 8, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the tornado and severe storms occurring in North Carolina on April 15, 2018.

(B) INCIDENT BEGINNING DATE; INCIDENT PERIOD.—The incident beginning date, and the incident period, of the tornado and severe storms referred to in subparagraph (A) is April 15, 2018.

## (13) INDIANA SEVERE STORMS AND FLOODING.—

(A) INDIANA SEVERE STORMS AND FLOODING DISASTER AREA.—The term “Indiana severe storms and flooding disaster area” means an area with respect to which, during the period beginning on May 4, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the

Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and flooding occurring in Indiana during the period beginning on February 14, 2018, and ending on March 4, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and flooding referred to in subparagraph (A) is February 14, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms and flooding referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms and flooding and ending on March 4, 2018.

(14) ALABAMA SEVERE STORMS AND TORNADOES.—

(A) ALABAMA SEVERE STORMS AND TORNADOES DISASTER AREA.—The term “Alabama severe storms and tornadoes disaster area” means an area with respect to which, during the period beginning on April 26, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and tornadoes occurring in Alabama during the period beginning on March 19, 2018, and ending on March 20, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and tornadoes referred to in subparagraph (A) is March 19, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms and tornadoes referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms and tornadoes and ending on March 20, 2018.

(15) TROPICAL STORM GITA.—

(A) TROPICAL STORM GITA DISASTER AREA.—The term “Tropical Storm Gita disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Tropical Storm Gita.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Tropical Storm Gita is February 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Tropical Storm Gita is the period beginning on the incident beginning date of Tropical Storm Gita and ending on February 12, 2018.

**SEC. 102. SPECIAL DISASTER-RELATED RULES FOR USE OF RETIREMENT FUNDS.**

(a) TAX-FAVORED WITHDRAWALS FROM RETIREMENT PLANS.—

(1) IN GENERAL.—Section 72(t) of the Internal Revenue Code of 1986 shall not apply to any qualified disaster distribution.

(2) AGGREGATE DOLLAR LIMITATION.—

(A) IN GENERAL.—For purposes of this subsection, the aggregate amount of distributions received by an individual which may be treated as qualified disaster distributions for any taxable year shall not exceed the excess (if any) of—

(i) \$100,000, over

(ii) the aggregate amounts treated as qualified disaster distributions received by such individual for all prior taxable years.

(B) TREATMENT OF PLAN DISTRIBUTIONS.—If a distribution to an individual would (without regard to subparagraph (A)) be a qualified disaster distribution, a plan shall not be treated as violating any requirement of the Internal Revenue Code of 1986 merely because the plan treats such distribution as a qualified disaster distribution, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds \$100,000.

(C) CONTROLLED GROUP.—For purposes of subparagraph (B), the term “controlled group” means any group treated as a single employer

under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986.

(D) SPECIAL RULE FOR INDIVIDUALS AFFECTED BY MORE THAN ONE DISASTER.—The limitation of subparagraph (A) shall be applied separately with respect to distributions made with respect to each qualified disaster which is described in a separate paragraph of section 101.

(3) AMOUNT DISTRIBUTED MAY BE REPAID.—

(A) IN GENERAL.—Any individual who receives a qualified disaster distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make 1 or more contributions in an aggregate amount not to exceed the amount of such distribution to an eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), of the Internal Revenue Code of 1986, as the case may be.

(B) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to subparagraph (A) with respect to a qualified disaster distribution from an eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received the qualified disaster distribution in an eligible rollover distribution (as defined in section 402(c)(4) of such Code) and as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(C) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM IRAS.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to subparagraph (A) with respect to a qualified disaster distribution from an individual retirement plan (as defined by section 7701(a)(37) of such Code), then, to the extent of the amount of the contribution, the qualified disaster distribution shall be treated as a distribution described in section 408(d)(3) of such Code and as having been transferred to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(4) DEFINITIONS.—For purposes of this subsection—

(A) QUALIFIED DISASTER DISTRIBUTION.—Except as provided in paragraph (2), the term “qualified disaster distribution” means any distribution from an eligible retirement plan made on or after the incident beginning date of a qualified disaster and before January 1, 2020, to an individual whose principal place of abode at any time during the incident period of such qualified disaster is located in the qualified disaster area with respect to such qualified disaster and who has sustained an economic loss by reason of such qualified disaster.

(B) ELIGIBLE RETIREMENT PLAN.—The term “eligible retirement plan” shall have the meaning given such term by section 402(c)(8)(B) of the Internal Revenue Code of 1986.

(5) INCOME INCLUSION SPREAD OVER 3-YEAR PERIOD.—

(A) IN GENERAL.—In the case of any qualified disaster distribution, unless the taxpayer elects not to have this paragraph apply for any taxable year, any amount required to be included in gross income for such taxable year shall be so included ratably over the 3-taxable-year period beginning with such taxable year.

(B) SPECIAL RULE.—For purposes of subparagraph (A), rules similar to the rules of subparagraph (E) of section 408A(d)(3) of the Internal Revenue Code of 1986 shall apply.

(6) SPECIAL RULES.—

(A) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405 of the Internal Revenue Code of 1986, qualified disaster distributions shall not be treated as eligible rollover distributions.

(B) QUALIFIED DISASTER DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—For purposes the Internal Revenue Code of 1986, a qualified disaster distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A) of such Code.

(b) RECONTRIBUTIONS OF WITHDRAWALS FOR HOME PURCHASES.—

(1) RECONTRIBUTIONS.—

(A) IN GENERAL.—Any individual who received a qualified distribution may, during the applicable period, make 1 or more contributions in an aggregate amount not to exceed the amount of such qualified distribution to an eligible retirement plan (as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986) of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3), of such Code, as the case may be.

(B) TREATMENT OF REPAYMENTS.—Rules similar to the rules of subparagraphs (B) and (C) of subsection (a)(3) shall apply for purposes of this subsection.

(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection, the term “qualified distribution” means any distribution—

(A) described in section 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only to the extent such distribution relates to financial hardship), 403(b)(11)(B), or 72(t)(2)(F), of the Internal Revenue Code of 1986.

(B) which was to be used to purchase or construct a principal residence in a qualified disaster area, but which was not so used on account of the qualified disaster with respect to such area, and

(C) which was received on or after January 1, 2018, and before the date which is 30 days after the last day of the incident period of such qualified disaster.

(3) APPLICABLE PERIOD.—For purposes of this subsection, the term “applicable period” means, in the case of a principal residence in a qualified disaster area with respect to any qualified disaster, the period beginning on the incident beginning date of such qualified disaster and ending on February 28, 2019.

(c) LOANS FROM QUALIFIED PLANS.—

(1) INCREASE IN LIMIT ON LOANS NOT TREATED AS DISTRIBUTIONS.—In the case of any loan from a qualified employer plan (as defined under section 72(p)(4) of the Internal Revenue Code of 1986) to a qualified individual made during the period beginning on the date of the enactment of this Act and ending on December 31, 2019—

(A) clause (i) of section 72(p)(2)(A) of such Code shall be applied by substituting “\$100,000” for “\$50,000”, and

(B) clause (ii) of such section shall be applied by substituting “the present value of the nonforfeitable accrued benefit of the employee under the plan” for “one-half of the present value of the nonforfeitable accrued benefit of the employee under the plan”.

(2) DELAY OF REPAYMENT.—In the case of a qualified individual (with respect to any qualified disaster) with an outstanding loan on or after the incident beginning date (of such qualified disaster) from a qualified employer plan (as defined in section 72(p)(4) of the Internal Revenue Code of 1986)—

(A) if the due date pursuant to subparagraph (B) or (C) of section 72(p)(2) of such Code for any repayment with respect to such loan occurs during the period beginning on the incident beginning date of such qualified disaster and ending on December 31, 2019, such due date shall be delayed for 1 year,

(B) any subsequent repayments with respect to any such loan shall be appropriately adjusted to reflect the delay in the due date under paragraph (1) and any interest accruing during such delay, and

(C) in determining the 5-year period and the term of a loan under subparagraph (B) or (C) of

section 72(p)(2) of such Code, the period described in subparagraph (A) of this paragraph shall be disregarded.

(3) **QUALIFIED INDIVIDUAL.**—For purposes of this subsection, the term “qualified individual” means any individual—

(A) whose principal place of abode at any time during the incident period of any qualified disaster is located in the qualified disaster area with respect to such qualified disaster, and

(B) who has sustained an economic loss by reason of such qualified disaster.

(d) **PROVISIONS RELATING TO PLAN AMENDMENTS.**—

(1) **IN GENERAL.**—If this subsection applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in paragraph (2)(B)(i).

(2) **AMENDMENTS TO WHICH SUBSECTION APPLIES.**—

(A) **IN GENERAL.**—This subsection shall apply to any amendment to any plan or annuity contract which is made—

(i) pursuant to any provision of this section, or pursuant to any regulation issued by the Secretary or the Secretary of Labor under any provision of this section, and

(ii) on or before the last day of the first plan year beginning on or after January 1, 2020, or such later date as the Secretary may prescribe.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), clause (ii) shall be applied by substituting the date which is 2 years after the date otherwise applied under clause (ii).

(B) **CONDITIONS.**—This subsection shall not apply to any amendment unless—

(i) during the period—

(I) beginning on the date that this section or the regulation described in subparagraph (A)(i) takes effect (or in the case of a plan or contract amendment not required by this section or such regulation, the effective date specified by the plan), and

(II) ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and

(ii) such plan or contract amendment applies retroactively for such period.

**SEC. 103. EMPLOYEE RETENTION CREDIT FOR EMPLOYERS AFFECTED BY QUALIFIED DISASTERS.**

(a) **IN GENERAL.**—For purposes of section 38 of the Internal Revenue Code of 1986, in the case of an eligible employer, the 2018 qualified disaster employee retention credit shall be treated as a credit listed in subsection (b) of such section. For purposes of this subsection, the 2018 qualified disaster employee retention credit for any taxable year is an amount equal to 40 percent of the qualified wages with respect to each eligible employee of such employer for such taxable year. For purposes of the preceding sentence, the amount of qualified wages which may be taken into account with respect to any individual shall not exceed \$6,000.

(b) **DEFINITIONS.**—For purposes of this section—

(1) **ELIGIBLE EMPLOYER.**—The term “eligible employer” means any employer—

(A) which conducted an active trade or business in a qualified disaster zone at any time during the incident period of the qualified disaster with respect to such qualified disaster zone, and

(B) with respect to whom the trade or business described in subparagraph (A) is inoperable at any time after the incident beginning date of such qualified disaster, and before January 1, 2019, as a result of damage sustained by reason of such qualified disaster.

(2) **ELIGIBLE EMPLOYEE.**—The term “eligible employee” means with respect to an eligible em-

ployer an employee whose principal place of employment at any time during the incident period of the qualified disaster referred to in paragraph (1) with such eligible employer was in the qualified disaster zone referred to in such paragraph.

(3) **QUALIFIED WAGES.**—The term “qualified wages” means wages (as defined in section 51(c)(1) of the Internal Revenue Code of 1986, but without regard to section 3306(b)(2)(B) of such Code) paid or incurred by an eligible employer with respect to an eligible employee at any time after the incident beginning date of the qualified disaster referred to in paragraph (1), and before January 1, 2019, which occurs during the period—

(A) beginning on the date on which the trade or business described in paragraph (1) first became inoperable at the principal place of employment of the employee immediately before the qualified disaster referred to in such paragraph, and

(B) ending on the date on which such trade or business has resumed significant operations at such principal place of employment.

Such term shall include wages paid without regard to whether the employee performs no services, performs services at a different place of employment than such principal place of employment, or performs services at such principal place of employment before significant operations have resumed.

(c) **CERTAIN RULES TO APPLY.**—For purposes of this subsection, rules similar to the rules of sections 51(i)(1), 52, and 280C(a), of the Internal Revenue Code of 1986, shall apply.

(d) **EMPLOYEE NOT TAKEN INTO ACCOUNT MORE THAN ONCE.**—An employee shall not be treated as an eligible employee for purposes of this subsection for any period with respect to any employer if such employer is allowed a credit under section 51 of the Internal Revenue Code of 1986 with respect to such employee for such period.

**SEC. 104. OTHER DISASTER-RELATED TAX RELIEF PROVISIONS.**

(a) **TEMPORARY SUSPENSION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.**—

(1) **IN GENERAL.**—Except as otherwise provided in paragraph (2), subsection (b) of section 170 of the Internal Revenue Code of 1986 shall not apply to qualified contributions and such contributions shall not be taken into account for purposes of applying subsections (b) and (d) of such section to other contributions.

(2) **TREATMENT OF EXCESS CONTRIBUTIONS.**—For purposes of section 170 of the Internal Revenue Code of 1986—

(A) **INDIVIDUALS.**—In the case of an individual—

(i) **LIMITATION.**—Any qualified contribution shall be allowed only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer’s contribution base (as defined in subparagraph (H) of section 170(b)(1) of such Code) over the amount of all other charitable contributions allowed under section 170(b)(1) of such Code.

(ii) **CARRYOVER.**—If the aggregate amount of qualified contributions made in the contribution year (within the meaning of section 170(d)(1) of such Code) exceeds the limitation of clause (i), such excess shall be added to the excess described in the portion of subparagraph (A) of such section which precedes clause (i) thereof for purposes of applying such section.

(B) **CORPORATIONS.**—In the case of a corporation—

(i) **LIMITATION.**—Any qualified contribution shall be allowed only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer’s taxable income (as determined under paragraph (2) of section 170(b) of such Code) over the amount of all other charitable contributions allowed under such paragraph.

(ii) **CARRYOVER.**—Rules similar to the rules of subparagraph (A)(ii) shall apply for purposes of this subparagraph.

(3) **QUALIFIED CONTRIBUTIONS.**—

(A) **IN GENERAL.**—For purposes of this subsection, the term “qualified contribution” means any charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) if—

(i) such contribution—

(I) is paid during the period beginning on February 7, 2018, and ending on December 31, 2018, in cash to an organization described in section 170(b)(1)(A) of such Code, and

(II) is made for relief efforts in one or more qualified disaster areas,

(ii) the taxpayer obtains from such organization contemporaneous written acknowledgment (within the meaning of section 170(f)(8) of such Code) that such contribution was used (or is to be used) for relief efforts described in clause (i)(II), and

(iii) the taxpayer has elected the application of this subsection with respect to such contribution.

(B) **EXCEPTION.**—Such term shall not include a contribution by a donor if the contribution is—

(i) to an organization described in section 509(a)(3) of the Internal Revenue Code of 1986, or

(ii) for the establishment of a new, or maintenance of an existing, donor advised fund (as defined in section 4966(d)(2) of such Code).

(C) **APPLICATION OF ELECTION TO PARTNERSHIPS AND S CORPORATIONS.**—In the case of a partnership or S corporation, the election under subparagraph (A)(iii) shall be made separately by each partner or shareholder.

(b) **SPECIAL RULES FOR QUALIFIED DISASTER-RELATED PERSONAL CASUALTY LOSSES.**—

(1) **IN GENERAL.**—If an individual has a net disaster loss for any taxable year—

(A) the amount determined under section 165(h)(2)(A)(ii) of the Internal Revenue Code of 1986 shall be equal to the sum of—

(i) such net disaster loss, and

(ii) so much of the excess referred to in the matter preceding clause (i) of section 165(h)(2)(A) of such Code (reduced by the amount in clause (i) of this subparagraph) as exceeds 10 percent of the adjusted gross income of the individual,

(B) section 165(h)(1) of such Code shall be applied by substituting “\$500” for “\$500 (\$100 for taxable years beginning after December 31, 2009)”,

(C) the standard deduction determined under section 63(c) of such Code shall be increased by the net disaster loss, and

(D) section 56(b)(1)(E) of such Code shall not apply to so much of the standard deduction as is attributable to the increase under subparagraph (C) of this paragraph.

(2) **NET DISASTER LOSS.**—For purposes of this subsection, the term “net disaster loss” means the excess of qualified disaster-related personal casualty losses over personal casualty gains (as defined in section 165(c)(3)(A) of the Internal Revenue Code of 1986).

(3) **QUALIFIED DISASTER-RELATED PERSONAL CASUALTY LOSSES.**—For purposes of this subsection, the term “qualified disaster-related personal casualty losses” means losses described in section 165(c)(3) of the Internal Revenue Code of 1986 which arise in a qualified disaster area on or after the incident beginning date of the qualified disaster to which such area relates, and which are attributable to such qualified disaster.

(c) **SPECIAL RULE FOR DETERMINING EARNED INCOME.**—

(1) **IN GENERAL.**—In the case of a qualified individual, if the earned income of the taxpayer for the applicable taxable year is less than the earned income of the taxpayer for the preceding taxable year, the credits allowed under sections 24(d) and 32 of the Internal Revenue Code of 1986 may, at the election of the taxpayer, be determined by substituting—

(A) such earned income for the preceding taxable year, for

(B) such earned income for the applicable taxable year.

(2) **QUALIFIED INDIVIDUAL.**—For purposes of this subsection, the term “qualified individual” means any individual whose principal place of abode at any time during the incident period of any qualified disaster was located—

(A) in the qualified disaster zone with respect to such qualified disaster, or

(B) in the qualified disaster area with respect to such qualified disaster (but outside the qualified disaster zone with respect to such qualified disaster) and such individual was displaced from such principal place of abode by reason of such qualified disaster.

(3) **APPLICABLE TAXABLE YEAR.**—The term “applicable taxable year” means, with respect to any qualified individual, any taxable year which includes any day during the incident period of the qualified disaster to which the qualified disaster area referred to in paragraph (2) relates.

(4) **EARNED INCOME.**—For purposes of this subsection, the term “earned income” has the meaning given such term under section 32(c) of the Internal Revenue Code of 1986.

(5) **SPECIAL RULES.**—

(A) **APPLICATION TO JOINT RETURNS.**—For purposes of paragraph (1), in the case of a joint return for an applicable taxable year—

(i) such paragraph shall apply if either spouse is a qualified individual, and

(ii) the earned income of the taxpayer for the preceding taxable year shall be the sum of the earned income of each spouse for such preceding taxable year.

(B) **UNIFORM APPLICATION OF ELECTION.**—Any election made under paragraph (1) shall apply with respect to both sections 24(d) and 32 of the Internal Revenue Code of 1986.

(C) **ERRORS TREATED AS MATHEMATICAL ERROR.**—For purposes of section 6213 of the Internal Revenue Code of 1986, an incorrect use on a return of earned income pursuant to paragraph (1) shall be treated as a mathematical or clerical error.

(D) **NO EFFECT ON DETERMINATION OF GROSS INCOME, ETC.**—Except as otherwise provided in this subsection, the Internal Revenue Code of 1986 shall be applied without regard to any substitution under paragraph (1).

#### **SEC. 105. TREATMENT OF CERTAIN POSSESSIONS.**

(a) **PAYMENTS TO GUAM AND THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.**—The Secretary of the Treasury shall pay to Guam and the Commonwealth of the Northern Mariana Islands amounts equal to the loss to that possession by reason of the application of the provisions of this title. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(b) **PAYMENTS TO AMERICAN SAMOA.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall pay to American Samoa amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits that would have been provided to residents of American Samoa by reason of the provisions of this title if a mirror code tax system had been in effect in American Samoa. The preceding sentence shall not apply unless American Samoa has a plan, which has been approved by the Secretary of the Treasury, under which American Samoa will promptly distribute such payments to its residents.

(2) **MIRROR CODE TAX SYSTEM.**—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

(c) **TREATMENT OF PAYMENTS.**—For purposes of section 1324 of title 31, United States Code,

the payments under this section shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

#### **SEC. 106. AUTOMATIC EXTENSION OF FILING DEADLINE.**

(a) **IN GENERAL.**—Section 7508A is amended by adding at the end the following new subsection:

“(d) **MANDATORY 60-DAY EXTENSION.**—In the case of—

“(1) any individual whose principal place of abode is in a disaster area (as defined in section 165(i)(5)(B)), and

“(2) any taxpayer if the taxpayer’s principal place of business (other than the business of performing services of an employee) is located in a disaster area (as so defined),

the period beginning on the earliest incident date specified in the declaration to which such area relates and ending on the date which is 60 days after the latest incident date so specified shall be disregarded in the same manner as a period specified under subsection (a).”

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to Federally declared disasters declared after December 31, 2017.

### **TITLE II—RETIREMENT AND SAVINGS**

#### **Subtitle A—Expanding and Preserving Retirement Savings**

##### **SEC. 201. MULTIPLE EMPLOYER PLANS; POOLED EMPLOYER PLANS.**

(a) **QUALIFICATION REQUIREMENTS.**—

(1) **IN GENERAL.**—Section 413 is amended by adding at the end the following new subsection:

“(e) **APPLICATION OF QUALIFICATION REQUIREMENTS FOR CERTAIN MULTIPLE EMPLOYER PLANS WITH POOLED PLAN PROVIDERS.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2), if a defined contribution plan to which subsection (c) applies—

“(A) is maintained by employers which have a common interest other than having adopted the plan, or

“(B) in the case of a plan not described in subparagraph (A), has a pooled plan provider, then the plan shall not be treated as failing to meet the requirements under this title applicable to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of subsection (c) thereof), whichever is applicable, merely because one or more employers of employees covered by the plan fail to take such actions as are required of such employers for the plan to meet such requirements.

“(2) **LIMITATIONS.**—

“(A) **IN GENERAL.**—Paragraph (1) shall not apply to any plan unless the terms of the plan provide that in the case of any employer in the plan failing to take the actions described in paragraph (1)—

“(i) the assets of the plan attributable to employees of such employer (or beneficiaries of such employees) will be transferred to a plan maintained only by such employer (or its successor), to an eligible retirement plan as defined in section 402(c)(8)(B) for each individual whose account is transferred, or to any other arrangement that the Secretary determines is appropriate, unless the Secretary determines it is in the best interests of the employees of such employer (and the beneficiaries of such employees) to retain the assets in the plan, and

“(ii) such employer (and not the plan with respect to which the failure occurred or any other employer in such plan) shall, except to the extent provided by the Secretary, be liable for any liabilities with respect to such plan attributable to employees of such employer (or beneficiaries of such employees).

“(B) **FAILURES BY POOLED PLAN PROVIDERS.**—If the pooled plan provider of a plan described in paragraph (1)(B) does not perform substantially all of the administrative duties which are required of the provider under paragraph (3)(A)(i) for any plan year, the Secretary may provide that the determination as to whether

the plan meets the requirements under this title applicable to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of subsection (c) thereof), whichever is applicable, shall be made in the same manner as would be made without regard to paragraph (1).

“(3) **POOLED PLAN PROVIDER.**—

“(A) **IN GENERAL.**—For purposes of this subsection, the term “pooled plan provider” means, with respect to any plan, a person who—

“(i) is designated by the terms of the plan as a named fiduciary (within the meaning of section 402(a)(2) of the Employee Retirement Income Security Act of 1974), as the plan administrator, and as the person responsible to perform all administrative duties (including conducting proper testing with respect to the plan and the employees of each employer in the plan) which are reasonably necessary to ensure that—

“(I) the plan meets any requirement applicable under the Employee Retirement Income Security Act of 1974 or this title to a plan described in section 401(a) or to a plan that consists of individual retirement accounts described in section 408 (including by reason of subsection (c) thereof), whichever is applicable, and

“(II) each employer in the plan takes such actions as the Secretary or such person determines are necessary for the plan to meet the requirements described in subclause (I), including providing to such person any disclosures or other information which the Secretary may require or which such person otherwise determines are necessary to administer the plan or to allow the plan to meet such requirements.

“(ii) registers as a pooled plan provider with the Secretary, and provides such other information to the Secretary as the Secretary may require, before beginning operations as a pooled plan provider,

“(iii) acknowledges in writing that such person is a named fiduciary (within the meaning of section 402(a)(2) of the Employee Retirement Income Security Act of 1974), and the plan administrator, with respect to the plan, and

“(iv) is responsible for ensuring that all persons who handle assets of, or who are fiduciaries of, the plan are bonded in accordance with section 412 of the Employee Retirement Income Security Act of 1974.

“(B) **AUDITS, EXAMINATIONS AND INVESTIGATIONS.**—The Secretary may perform audits, examinations, and investigations of pooled plan providers as may be necessary to enforce and carry out the purposes of this subsection.

“(C) **AGGREGATION RULES.**—For purposes of this paragraph, in determining whether a person meets the requirements of this paragraph to be a pooled plan provider with respect to any plan, all persons who perform services for the plan and who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as one person.

“(D) **TREATMENT OF EMPLOYERS AS PLAN SPONSORS.**—Except with respect to the administrative duties of the pooled plan provider described in subparagraph (A)(i), each employer in a plan which has a pooled plan provider shall be treated as the plan sponsor with respect to the portion of the plan attributable to employees of such employer (or beneficiaries of such employees).

“(4) **GUIDANCE.**—The Secretary shall issue such guidance as the Secretary determines appropriate to carry out this subsection, including guidance—

“(A) to identify the administrative duties and other actions required to be performed by a pooled plan provider under this subsection,

“(B) which describes the procedures to be taken to terminate a plan which fails to meet the requirements to be a plan described in paragraph (1), including the proper treatment of, and actions needed to be taken by, any employer in the plan and the assets and liabilities of the plan attributable to employees of such

employer (or beneficiaries of such employees), and

“(C) identifying appropriate cases to which the rules of paragraph (2)(A) will apply to employers in the plan failing to take the actions described in paragraph (1).

The Secretary shall take into account under subparagraph (C) whether the failure of an employer or pooled plan provider to provide any disclosures or other information, or to take any other action, necessary to administer a plan or to allow a plan to meet requirements applicable to the plan under section 401(a) or 408, whichever is applicable, has continued over a period of time that demonstrates a lack of commitment to compliance.

“(5) MODEL PLAN.—The Secretary shall publish model plan language which meets the requirements of this subsection and of paragraphs (43) and (44) of section 3 of the Employee Retirement Income Security Act of 1974 and which may be adopted in order for a plan to be treated as a plan described in paragraph (1)(B).”

(2) CONFORMING AMENDMENT.—Section 413(c)(2) is amended by striking “section 401(a)” and inserting “sections 401(a) and 408(c).”

(3) TECHNICAL AMENDMENT.—Section 408(c) is amended by inserting after paragraph (2) the following new paragraph:

“(3) There is a separate accounting for any interest of an employee or member (or spouse of an employee or member) in a Roth IRA.”

(b) NO COMMON INTEREST REQUIRED FOR POOLED EMPLOYER PLANS.—Section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)) is amended by adding at the end the following:

“(C) A pooled employer plan shall be treated as—

“(i) a single employee pension benefit plan or single pension plan; and

“(ii) a plan to which section 210(a) applies.”.

(c) POOLED EMPLOYER PLAN AND PROVIDER DEFINED.—

(1) IN GENERAL.—Section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) is amended by adding at the end the following:

“(43) POOLED EMPLOYER PLAN.—

“(A) IN GENERAL.—The term ‘pooled employer plan’ means a plan—

“(i) which is an individual account plan established or maintained for the purpose of providing benefits to the employees of 2 or more employers;

“(ii) which is a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code or a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof); and

“(iii) the terms of which meet the requirements of subparagraph (B).

Such term shall not include a plan maintained by employers which have a common interest other than having adopted the plan.

“(B) REQUIREMENTS FOR PLAN TERMS.—The requirements of this subparagraph are met with respect to any plan if the terms of the plan—

“(i) designate a pooled plan provider and provide that the pooled plan provider is a named fiduciary of the plan;

“(ii) designate one or more trustees meeting the requirements of section 408(a)(2) of the Internal Revenue Code of 1986 (other than an employer in the plan) to be responsible for collecting contributions to, and holding the assets of, the plan and require such trustees to implement written contribution collection procedures that are reasonable, diligent, and systematic;

“(iii) provide that each employer in the plan retains fiduciary responsibility for—

“(I) the selection and monitoring in accordance with section 404(a) of the person designated as the pooled plan provider and any other person who, in addition to the pooled plan

provider, is designated as a named fiduciary of the plan; and

“(II) to the extent not otherwise delegated to another fiduciary by the pooled plan provider and subject to the provisions of section 404(c), the investment and management of the portion of the plan’s assets attributable to the employees of the employer (or beneficiaries of such employees);

“(iv) provide that employers in the plan, and participants and beneficiaries, are not subject to unreasonable restrictions, fees, or penalties with regard to ceasing participation, receipt of distributions, or otherwise transferring assets of the plan in accordance with section 208 or paragraph (44)(C)(i)(II);

“(v) require—

“(I) the pooled plan provider to provide to employers in the plan any disclosures or other information which the Secretary may require, including any disclosures or other information to facilitate the selection or any monitoring of the pooled plan provider by employers in the plan; and

“(II) each employer in the plan to take such actions as the Secretary or the pooled plan provider determines are necessary to administer the plan or for the plan to meet any requirement applicable under this Act or the Internal Revenue Code of 1986 to a plan described in section 401(a) of such Code or to a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof), whichever is applicable, including providing any disclosures or other information which the Secretary may require or which the pooled plan provider otherwise determines are necessary to administer the plan or to allow the plan to meet such requirements; and

“(vi) provide that any disclosure or other information required to be provided under clause (v) may be provided in electronic form and will be designed to ensure only reasonable costs are imposed on pooled plan providers and employers in the plan.

“(C) EXCEPTIONS.—The term ‘pooled employer plan’ does not include—

“(i) a multiemployer plan; or

“(ii) a plan established before the date of the enactment of the Retirement, Savings, and Other Tax Relief Act of 2018 unless the plan administrator elects that the plan will be treated as a pooled employer plan and the plan meets the requirements of this title applicable to a pooled employer plan established on or after such date.

“(D) TREATMENT OF EMPLOYERS AS PLAN SPONSORS.—Except with respect to the administrative duties of the pooled plan provider described in paragraph (44)(A)(i), each employer in a pooled employer plan shall be treated as the plan sponsor with respect to the portion of the plan attributable to employees of such employer (or beneficiaries of such employees).

“(44) POOLED PLAN PROVIDER.—

“(A) IN GENERAL.—The term ‘pooled plan provider’ means a person who—

“(i) is designated by the terms of a pooled employer plan as a named fiduciary, as the plan administrator, and as the person responsible for the performance of all administrative duties (including conducting proper testing with respect to the plan and the employees of each employer in the plan) which are reasonably necessary to ensure that—

“(I) the plan meets any requirement applicable under this Act or the Internal Revenue Code of 1986 to a plan described in section 401(a) of such Code or to a plan that consists of individual retirement accounts described in section 408 of such Code (including by reason of subsection (c) thereof), whichever is applicable; and

“(II) each employer in the plan takes such actions as the Secretary or pooled plan provider determines are necessary for the plan to meet the requirements described in subclause (I), including providing the disclosures and information described in paragraph (43)(B)(v)(II);

“(ii) registers as a pooled plan provider with the Secretary, and provides to the Secretary such other information as the Secretary may require, before beginning operations as a pooled plan provider;

“(iii) acknowledges in writing that such person is a named fiduciary, and the plan administrator, with respect to the pooled employer plan; and

“(iv) is responsible for ensuring that all persons who handle assets of, or who are fiduciaries of, the pooled employer plan are bonded in accordance with section 412.

“(B) AUDITS, EXAMINATIONS AND INVESTIGATIONS.—The Secretary may perform audits, examinations, and investigations of pooled plan providers as may be necessary to enforce and carry out the purposes of this paragraph and paragraph (43).

“(C) GUIDANCE.—The Secretary shall issue such guidance as the Secretary determines appropriate to carry out this paragraph and paragraph (43), including guidance—

“(i) to identify the administrative duties and other actions required to be performed by a pooled plan provider under either such paragraph; and

“(ii) which requires in appropriate cases that if an employer in the plan fails to take the actions required under subparagraph (A)(i)(II)—

“(I) the assets of the plan attributable to employees of such employer (or beneficiaries of such employees) are transferred to a plan maintained only by such employer (or its successor), to an eligible retirement plan as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986 for each individual whose account is transferred, or to any other arrangement that the Secretary determines is appropriate in such guidance; and

“(II) such employer (and not the plan with respect to which the failure occurred or any other employer in such plan) shall, except to the extent provided in such guidance, be liable for any liabilities with respect to such plan attributable to employees of such employer (or beneficiaries of such employees).

The Secretary shall take into account under clause (ii) whether the failure of an employer or pooled plan provider to provide any disclosures or other information, or to take any other action, necessary to administer a plan or to allow a plan to meet requirements described in subparagraph (A)(i)(II) has continued over a period of time that demonstrates a lack of commitment to compliance. The Secretary may waive the requirements of subclause (ii)(I) in appropriate circumstances if the Secretary determines it is in the best interests of the employees of the employer referred to in such clause (and the beneficiaries of such employees) to retain the assets in the plan with respect to which the employer’s failure occurred.

“(D) AGGREGATION RULES.—For purposes of this paragraph, in determining whether a person meets the requirements of this paragraph to be a pooled plan provider with respect to any plan, all persons who perform services for the plan and who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one person.”.

(2) BONDING REQUIREMENTS FOR POOLED EMPLOYER PLANS.—The last sentence of section 412(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1112(a)) is amended by inserting “or in the case of a pooled employer plan (as defined in section 3(43))” after “section 407(d)(1))”.

(3) CONFORMING AND TECHNICAL AMENDMENTS.—Section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) is amended—

(A) in paragraph (16)(B)—

(i) by striking “or” at the end of clause (ii); and

(ii) by striking the period at the end and inserting “, or (iv) in the case of a pooled employer plan, the pooled plan provider.”; and

(B) by striking the second paragraph (41).

(d) POOLED EMPLOYER AND MULTIPLE EMPLOYER PLAN REPORTING.—

(1) ADDITIONAL INFORMATION.—Section 103 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023) is amended—

(A) in subsection (a)(1)(B), by striking “applicable subsections (d), (e), and (f)” and inserting “applicable subsections (d), (e), (f), and (g)”; and

(B) by amending subsection (g) to read as follows:

“(g) ADDITIONAL INFORMATION WITH RESPECT TO POOLED EMPLOYER AND MULTIPLE EMPLOYER PLANS.—An annual report under this section for a plan year shall include—

“(1) with respect to any plan to which section 210(a) applies (including a pooled employer plan), a list of employers in the plan, a good faith estimate of the percentage of total contributions made by such employers during the plan year, and the aggregate account balances attributable to each employer in the plan (determined as the sum of the account balances of the employees of such employer (and the beneficiaries of such employees)); and

“(2) with respect to a pooled employer plan, the identifying information for the person designated under the terms of the plan as the pooled plan provider.”.

(2) SIMPLIFIED ANNUAL REPORTS.—Section 104(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(a)) is amended by striking paragraph (2)(A) and inserting the following:

“(2)(A) With respect to annual reports required to be filed with the Secretary under this part, the Secretary may by regulation prescribe simplified annual reports for any pension plan that—

“(i) covers fewer than 100 participants; or

“(ii) is a plan described in section 210(a) that covers fewer than 1,000 participants, but only if no single employer in the plan has 100 or more participants covered by the plan.”.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2019.

(2) RULE OF CONSTRUCTION.—Nothing in the amendments made by subsection (a) shall be construed as limiting the authority of the Secretary of the Treasury or the Secretary’s delegate (determined without regard to such amendments) to provide for the proper treatment of a failure to meet any requirement applicable under the Internal Revenue Code of 1986 with respect to one employer (and its employees) in a multiple employer plan.

#### SEC. 202. RULES RELATING TO ELECTION OF SAFE HARBOR 401(k) STATUS.

(a) LIMITATION OF ANNUAL SAFE HARBOR NOTICE TO MATCHING CONTRIBUTION PLANS.—

(1) IN GENERAL.—Section 401(k)(12)(A) is amended by striking “if such arrangement” and all that follows and inserting “if such arrangement—

“(i) meets the contribution requirements of subparagraph (B) and the notice requirements of subparagraph (D), or

“(ii) meets the contribution requirements of subparagraph (C).”.

(2) AUTOMATIC CONTRIBUTION ARRANGEMENTS.—Section 401(k)(13)(B) is amended by striking “means” and all that follows and inserting “means a cash or deferred arrangement—

“(i) which is described in subparagraph (D)(i)(I) and meets the applicable requirements of subparagraphs (C) through (E), or

“(ii) which is described in subparagraph (D)(i)(II) and meets the applicable requirements of subparagraphs (C) and (D).”.

(b) NONELECTIVE CONTRIBUTIONS.—Section 401(k)(12) is amended by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

“(F) TIMING OF PLAN AMENDMENT FOR EMPLOYER MAKING NONELECTIVE CONTRIBUTIONS.—

“(i) IN GENERAL.—Except as provided in clause (ii), a plan may be amended after the beginning of a plan year to provide that the requirements of subparagraph (C) shall apply to the arrangement for the plan year, but only if the amendment is adopted—

“(I) at any time before the 30th day before the close of the plan year, or

“(II) at any time before the last day under paragraph (8)(A) for distributing excess contributions for the plan year.

“(ii) EXCEPTION WHERE PLAN PROVIDED FOR MATCHING CONTRIBUTIONS.—Clause (i) shall not apply to any plan year if the plan provided at any time during the plan year that the requirements of subparagraph (B) or paragraph (13)(D)(i)(I) applied to the plan year.

“(iii) 4-PERCENT CONTRIBUTION REQUIREMENT.—Clause (i)(II) shall not apply to an arrangement unless the amount of the contributions described in subparagraph (C) which the employer is required to make under the arrangement for the plan year with respect to any employee is an amount equal to at least 4 percent of the employee’s compensation.”.

(c) AUTOMATIC CONTRIBUTION ARRANGEMENTS.—Section 401(k)(13) is amended by adding at the end the following:

“(F) TIMING OF PLAN AMENDMENT FOR EMPLOYER MAKING NONELECTIVE CONTRIBUTIONS.—

“(i) IN GENERAL.—Except as provided in clause (ii), a plan may be amended after the beginning of a plan year to provide that the requirements of subparagraph (D)(i)(II) shall apply to the arrangement for the plan year, but only if the amendment is adopted—

“(I) at any time before the 30th day before the close of the plan year, or

“(II) at any time before the last day under paragraph (8)(A) for distributing excess contributions for the plan year.

“(ii) EXCEPTION WHERE PLAN PROVIDED FOR MATCHING CONTRIBUTIONS.—Clause (i) shall not apply to any plan year if the plan provided at any time during the plan year that the requirements of subparagraph (D)(i)(I) or paragraph (12)(B) applied to the plan year.

“(iii) 4-PERCENT CONTRIBUTION REQUIREMENT.—Clause (i)(II) shall not apply to an arrangement unless the amount of the contributions described in subparagraph (D)(i)(II) which the employer is required to make under the arrangement for the plan year with respect to any employee is an amount equal to at least 4 percent of the employee’s compensation.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2018.

#### SEC. 203. CERTAIN TAXABLE NON-TUITION FELLOWSHIP AND STIPEND PAYMENTS TREATED AS COMPENSATION FOR IRA PURPOSES.

(a) IN GENERAL.—Section 219(f)(1) is amended by adding at the end the following: “The term ‘compensation’ shall include any amount included in gross income and paid to an individual to aid the individual in the pursuit of graduate or postdoctoral study.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2018.

#### SEC. 204. REPEAL OF MAXIMUM AGE FOR TRADITIONAL IRA CONTRIBUTIONS.

(a) IN GENERAL.—Section 219(d) is amended by striking paragraph (1).

(b) CONFORMING AMENDMENT.—Section 408A(c) is amended by striking paragraph (4) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made for taxable years beginning after December 31, 2018.

#### SEC. 205. QUALIFIED EMPLOYER PLANS PROHIBITED FROM MAKING LOANS THROUGH CREDIT CARDS AND OTHER SIMILAR ARRANGEMENTS.

(a) IN GENERAL.—Section 72(p)(2) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) PROHIBITION OF LOANS THROUGH CREDIT CARDS AND OTHER SIMILAR ARRANGEMENTS.—Notwithstanding subparagraph (A), paragraph (1) shall apply to any loan which is made through the use of any credit card or any other similar arrangement.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to loans made after the date of the enactment of this Act.

#### SEC. 206. PORTABILITY OF LIFETIME INCOME INVESTMENTS.

(a) IN GENERAL.—Section 401(a) is amended by inserting after paragraph (37) the following new paragraph:

“(38) PORTABILITY OF LIFETIME INCOME INVESTMENTS.—

“(A) IN GENERAL.—Except as may be otherwise provided by regulations, a trust forming part of a defined contribution plan shall not be treated as failing to constitute a qualified trust under this section solely by reason of allowing—

“(i) qualified distributions of a lifetime income investment, or

“(ii) distributions of a lifetime income investment in the form of a qualified plan distribution annuity contract,

on or after the date that is 90 days prior to the date on which such lifetime income investment is no longer authorized to be held as an investment option under the plan.

“(B) DEFINITIONS.—For purposes of this subsection—

“(i) the term ‘qualified distribution’ means a direct trustee-to-trustee transfer described in paragraph (31)(A) to an eligible retirement plan (as defined in section 402(c)(8)(B)),

“(ii) the term ‘lifetime income investment’ means an investment option which is designed to provide an employee with election rights—

“(I) which are not uniformly available with respect to other investment options under the plan, and

“(II) which are to a lifetime income feature available through a contract or other arrangement offered under the plan (or under another eligible retirement plan (as so defined), if paid by means of a direct trustee-to-trustee transfer described in paragraph (31)(A) to such other eligible retirement plan),

“(iii) the term ‘lifetime income feature’ means—

“(I) a feature which guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the employee or the joint lives of the employee and the employee’s designated beneficiary, or

“(II) an annuity payable on behalf of the employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the employee or the joint lives of the employee and the employee’s designated beneficiary, and

“(iv) the term ‘qualified plan distribution annuity contract’ means an annuity contract purchased for a participant and distributed to the participant by a plan or contract described in subparagraph (B) of section 402(c)(8) (without regard to clauses (i) and (ii) thereof).”.

(b) CASH OR DEFERRED ARRANGEMENT.—

(1) IN GENERAL.—Section 401(k)(2)(B)(i) is amended by striking “or” at the end of subclause (IV), by striking “and” at the end of subclause (V) and inserting “or”, and by adding at the end the following new subclause:

“(VI) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in subsection (a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the arrangement, and”.

(2) **DISTRIBUTION REQUIREMENT.**—Section 401(k)(2)(B), as amended by paragraph (1), is amended by striking “and” at the end of clause (i), by striking the semicolon at the end of clause (ii) and inserting “, and”, and by adding at the end the following new clause:

“(iii) except as may be otherwise provided by regulations, in the case of amounts described in clause (i)(VI), will be distributed only in the form of a qualified distribution (as defined in subsection (a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in subsection (a)(38)(B)(iv)).”

(c) **SECTION 403(b) PLANS.**—

(1) **ANNUITY CONTRACTS.**—Section 403(b)(11) is amended by striking “or” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, or”, and by inserting after subparagraph (C) the following new subparagraph:

“(D) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii))—

“(i) on or after the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the contract, and

“(ii) in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(2) **CUSTODIAL ACCOUNTS.**—Section 403(b)(7)(A) is amended by striking “if—” and all that follows and inserting “if the amounts are to be invested in regulated investment company stock to be held in that custodial account, and under the custodial account—

“(i) no such amounts may be paid or made available to any distributee (unless such amount is a distribution to which section 72(t)(2)(G) applies) before—

“(I) the employee dies,

“(II) the employee attains age 59½,

“(III) the employee has a severance from employment,

“(IV) the employee becomes disabled (within the meaning of section 72(m)(7)),

“(V) in the case of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(5)(D)), the employee encounters financial hardship, or

“(VI) except as may be otherwise provided by regulations, with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the contract, and

“(ii) in the case of amounts described in clause (i)(VI), such amounts will be distributed only in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(d) **ELIGIBLE DEFERRED COMPENSATION PLANS.**—

(1) **IN GENERAL.**—Section 457(d)(1)(A) is amended by striking “or” at the end of clause (ii), by inserting “or” at the end of clause (iii), and by adding after clause (iii) the following:

“(iv) except as may be otherwise provided by regulations, in the case of a plan maintained by an employer described in subsection (e)(1)(A), with respect to amounts invested in a lifetime income investment (as defined in section 401(a)(38)(B)(ii)), the date that is 90 days prior to the date that such lifetime income investment may no longer be held as an investment option under the plan.”

(2) **DISTRIBUTION REQUIREMENT.**—Section 457(d)(1) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by inserting after subparagraph (C) the following new subparagraph:

“(D) except as may be otherwise provided by regulations, in the case of amounts described in

subparagraph (A)(iv), such amounts will be distributed only in the form of a qualified distribution (as defined in section 401(a)(38)(B)(i)) or a qualified plan distribution annuity contract (as defined in section 401(a)(38)(B)(iv)).”

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2018.

**SEC. 207. TREATMENT OF CUSTODIAL ACCOUNTS ON TERMINATION OF SECTION 403(b) PLANS.**

Not later than six months after the date of enactment of this Act, the Secretary of the Treasury shall issue guidance to provide that, if an employer terminates the plan under which amounts are contributed to a custodial account under subparagraph (A) of section 403(b)(7), the plan administrator or custodian may distribute an individual custodial account in kind to a participant or beneficiary of the plan and the distributed custodial account shall be maintained by the custodian on a tax-deferred basis as a section 403(b)(7) custodial account, similar to the treatment of fully-paid individual annuity contracts under Revenue Ruling 2011-7, until amounts are actually paid to the participant or beneficiary. The guidance shall provide further (i) that the section 403(b)(7) status of the distributed custodial account is generally maintained if the custodial account thereafter adheres to the requirements of section 403(b) that are in effect at the time of the distribution of the account and (ii) that a custodial account would not be considered distributed to the participant or beneficiary if the employer has any material retained rights under the account (but the employer would not be treated as retaining material rights simply because the custodial account was originally opened under a group contract).

**SEC. 208. CLARIFICATION OF RETIREMENT INCOME ACCOUNT RULES RELATING TO CHURCH-CONTROLLED ORGANIZATIONS.**

(a) **IN GENERAL.**—Section 403(b)(9)(B) is amended by inserting “(including an employee described in section 414(e)(3)(B))” after “employee described in paragraph (1)”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning before, on, or after the date of the enactment of this Act.

**SEC. 209. INCREASE IN 10 PERCENT CAP FOR AUTOMATIC ENROLLMENT SAFE HARBOR AFTER 1ST PLAN YEAR.**

(a) **IN GENERAL.**—Section 401(k)(13)(C)(iii) is amended by striking “does not exceed 10 percent” and inserting “does not exceed 15 percent (10 percent during the period described in subclause (I))”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2018.

**SEC. 210. INCREASE IN CREDIT LIMITATION FOR SMALL EMPLOYER PENSION PLAN STARTUP COSTS.**

(a) **IN GENERAL.**—Paragraph (1) of section 45E(b) is amended to read as follows:

“(1) for the first credit year and each of the 2 taxable years immediately following the first credit year, the greater of—

“(A) \$500, or

“(B) the lesser of—

“(i) \$250 for each employee of the eligible employer who is not a highly compensated employee (as defined in section 414(q)) and who is eligible to participate in the eligible employer plan maintained by the eligible employer, or

“(ii) \$1,500, and”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2018.

**SEC. 211. SMALL EMPLOYER AUTOMATIC ENROLLMENT CREDIT.**

(a) **IN GENERAL.**—Section 45E is amended by adding at the end the following new subsection:—

“(f) **CREDIT FOR AUTO-ENROLLMENT OPTION FOR RETIREMENT SAVINGS OPTIONS.**—

“(1) **IN GENERAL.**—The credit allowed under subsection (a) for any taxable year during an eligible employer’s retirement auto-enrollment credit period shall be increased (without regard to subsection (b)) by \$500.

“(2) **RETIREMENT AUTO-ENROLLMENT CREDIT PERIOD.**—

“(A) **IN GENERAL.**—The retirement auto-enrollment credit period with respect to any eligible employer is the 3-taxable-year period beginning with the first taxable year for which the employer includes an eligible automatic contribution arrangement (as defined in section 414(w)(3)) in a qualified employer plan (as defined in section 4972(d)) sponsored by the employer.

“(B) **MAINTENANCE OF ARRANGEMENT.**—No taxable year with respect to an employer shall be treated as occurring within the retirement auto-enrollment credit period unless the arrangement described in subparagraph (A) is included in the plan for such year.

“(3) **NOT LIMITED TO NEW PLANS.**—This subsection shall be applied without regard to subsection (c)(2).”

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2018.

**SEC. 212. EXEMPTION FROM REQUIRED MINIMUM DISTRIBUTION RULES FOR INDIVIDUALS WITH CERTAIN ACCOUNT BALANCES.**

(a) **IN GENERAL.**—Section 401(a)(9) is amended by adding at the end the following new subparagraph:

“(H) **EXCEPTION FROM REQUIRED MINIMUM DISTRIBUTIONS DURING LIFE OF EMPLOYEE WHERE ASSETS DO NOT EXCEED \$50,000.**—

“(i) **IN GENERAL.**—If on the last day of any calendar year the aggregate value of an employee’s entire interest under all applicable eligible retirement plans does not exceed \$50,000, then the requirements of subparagraph (A) with respect to any distribution relating to such year shall not apply with respect to such employee.

“(ii) **APPLICABLE ELIGIBLE RETIREMENT PLAN.**—For purposes of this subparagraph, the term ‘applicable eligible retirement plan’ means an eligible retirement plan (as defined in section 402(c)(8)(B)) other than a defined benefit plan.

“(iii) **LIMIT ON REQUIRED MINIMUM DISTRIBUTION.**—The required minimum distribution determined under subparagraph (A) for an employee under all applicable eligible retirement plans shall not exceed an amount equal to the excess of—

“(I) the aggregate value of an employee’s entire interest under such plans on the last day of the calendar year to which such distribution relates, over

“(II) the dollar amount in effect under clause (i) for such calendar year.

The Secretary in regulations or other guidance may provide how such amount shall be distributed in the case of an individual with more than one applicable eligible retirement plan.

“(iv) **INFLATION ADJUSTMENT.**—In the case of any calendar year beginning after 2019, the \$50,000 amount in clause (i) shall be increased by an amount equal to—

“(I) such dollar amount, multiplied by

“(II) the cost of living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting ‘calendar year 2018’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

Any increase determined under this clause shall be rounded to the next lowest multiple of \$5,000.

“(v) **PLAN ADMINISTRATOR RELIANCE ON EMPLOYEE CERTIFICATION.**—An applicable eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B) shall not be treated as failing to meet the requirements of this paragraph in the case of any failure to make a required minimum distribution for a calendar year if—

“(I) the aggregate value of an employee’s entire interest under all applicable eligible retirement plans of the employer on the last day of



the calendar year to which such distribution relates does not exceed the dollar amount in effect for such year under clause (i), and

“(II) the employee certifies that the aggregate value of the employee’s entire interest under all applicable eligible retirement plans on the last day of the calendar year to which such distribution relates did not exceed the dollar amount in effect for such year under clause (i).

“(vi) AGGREGATION RULE.—All employers treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer for purposes of clause (v).”.

(b) PLAN ADMINISTRATOR REPORTING.—Section 6047 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) ACCOUNT BALANCE FOR PARTICIPANTS WHO HAVE ATTAINED AGE 69.—

“(I) IN GENERAL.—Not later than January 31 of each year, the plan administrator (as defined in section 414(g)) of each applicable eligible retirement plan (as defined in section 401(a)(9)(H)) shall make a return to the Secretary with respect to each participant of such plan who has attained age 69 as of the end of the preceding calendar year which states—

“(A) the name and plan number of the plan,

“(B) the name and address of the plan administrator,

“(C) the name, address, and taxpayer identification number of the participant, and

“(D) the account balance of such participant as of the end of the preceding calendar year.

“(2) STATEMENT FURNISHED TO PARTICIPANT.—Every person required to make a return under paragraph (1) with respect to a participant shall furnish a copy of such return to such participant.

“(3) APPLICATION TO INDIVIDUAL RETIREMENT PLANS AND ANNUITIES.—In the case of an applicable eligible retirement plan described in clause (i) or (ii) of section 402(c)(8)(B)—

“(A) any reference in this subsection to the plan administrator shall be treated as a reference to the trustee or issuer, as the case may be, and

“(B) any reference in this subsection to the participant shall be treated as a reference to the individual for whom such account or annuity is maintained.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions required to be made in calendar years beginning more than 120 days after the date of the enactment of this Act.

**SEC. 213. ELECTIVE DEFERRALS BY MEMBERS OF THE READY RESERVE OF A RESERVE COMPONENT OF THE ARMED FORCES.**

(a) IN GENERAL.—Section 402(g) is amended by adding at the end the following new paragraph:

“(9) ELECTIVE DEFERRALS BY MEMBERS OF READY RESERVE.—

“(A) IN GENERAL.—In the case of a qualified ready reservist for any taxable year, the limitations of subparagraphs (A) and (C) of paragraph (1) shall be applied separately with respect to—

“(i) elective deferrals of such qualified ready reservist with respect to compensation described in subparagraph (B), and

“(ii) all other elective deferrals of such qualified ready reservist.

“(B) QUALIFIED READY RESERVIST.—For purposes of this paragraph, the term ‘qualified ready reservist’ means any individual for any taxable year if such individual received compensation for service as a member of the Ready Reserve of a reserve component (as defined in section 101 of title 37, United States Code) during such taxable year.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to plan years beginning after December 31, 2018.

**Subtitle B—Administrative Improvements**  
**SEC. 221. PLAN ADOPTED BY FILING DUE DATE FOR YEAR MAY BE TREATED AS IN EFFECT AS OF CLOSE OF YEAR.**

(a) IN GENERAL.—Section 401(b) is amended—

(1) by striking “RETROACTIVE CHANGES IN PLAN.—A stock bonus” and inserting “PLAN AMENDMENTS.—

“(1) CERTAIN RETROACTIVE CHANGES IN PLAN.—A stock bonus”, and

(2) by adding at the end the following new paragraph:

“(2) ADOPTION OF PLAN.—If an employer adopts a stock bonus, pension, profit-sharing, or annuity plan after the close of a taxable year but before the time prescribed by law for filing the employer’s return of tax for the taxable year (including extensions thereof), the employer may elect to treat the plan as having been adopted as of the last day of the taxable year.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plans adopted for taxable years beginning after December 31, 2018.

**SEC. 222. MODIFICATION OF NONDISCRIMINATION RULES TO PROTECT OLDER, LONGER SERVICE PARTICIPANTS.**

(a) IN GENERAL.—Section 401 is amended—

(1) by redesignating subsection (o) as subsection (p), and

(2) by inserting after subsection (n) the following new subsection:

“(o) SPECIAL RULES FOR APPLYING NONDISCRIMINATION RULES TO PROTECT OLDER, LONGER SERVICE AND GRANDFATHERED PARTICIPANTS.—

“(1) TESTING OF DEFINED BENEFIT PLANS WITH CLOSED CLASSES OF PARTICIPANTS.—

“(A) BENEFITS, RIGHTS, OR FEATURES PROVIDED TO CLOSED CLASSES.—A defined benefit plan which provides benefits, rights, or features to a closed class of participants shall not fail to satisfy the requirements of subsection (a)(4) by reason of the composition of such closed class or the benefits, rights, or features provided to such closed class, if—

“(i) for the plan year as of which the class closes and the 2 succeeding plan years, such benefits, rights, and features satisfy the requirements of subsection (a)(4) (without regard to this subparagraph but taking into account the rules of subparagraph (I)),

“(ii) after the date as of which the class was closed, any plan amendment which modifies the closed class or the benefits, rights, and features provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(iii) the class was closed before April 5, 2017, or the plan is described in subparagraph (C).

“(B) AGGREGATE TESTING WITH DEFINED CONTRIBUTION PLANS PERMITTED ON A BENEFITS BASIS.—

“(i) IN GENERAL.—For purposes of determining compliance with subsection (a)(4) and section 410(b), a defined benefit plan described in clause (iii) may be aggregated and tested on a benefits basis with 1 or more defined contribution plans, including with the portion of 1 or more defined contribution plans which—

“(I) provides matching contributions (as defined in subsection (m)(4)(A)),

“(II) provides annuity contracts described in section 403(b) which are purchased with matching contributions or nonelective contributions, or

“(III) consists of an employee stock ownership plan (within the meaning of section 4975(e)(7)) or a tax credit employee stock ownership plan (within the meaning of section 409(a)).

“(ii) SPECIAL RULES FOR MATCHING CONTRIBUTIONS.—For purposes of clause (i), if a defined benefit plan is aggregated with a portion of a defined contribution plan providing matching contributions—

“(I) such defined benefit plan must also be aggregated with any portion of such defined contribution plan which provides elective deferrals described in subparagraph (A) or (C) of section 402(g)(3), and

“(II) such matching contributions shall be treated in the same manner as nonelective contributions, including for purposes of applying the rules of subsection (I).

“(iii) PLANS DESCRIBED.—A defined benefit plan is described in this clause if—

“(I) the plan provides benefits to a closed class of participants,

“(II) for the plan year as of which the class closes and the 2 succeeding plan years, the plan satisfies the requirements of section 410(b) and subsection (a)(4) (without regard to this subparagraph but taking into account the rules of subparagraph (I)),

“(III) after the date as of which the class was closed, any plan amendment which modifies the closed class or the benefits provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(IV) the class was closed before April 5, 2017, or the plan is described in subparagraph (C).

“(C) PLANS DESCRIBED.—A plan is described in this subparagraph if, taking into account any predecessor plan—

“(i) such plan has been in effect for at least 5 years as of the date the class is closed, and

“(ii) during the 5-year period preceding the date the class is closed, there has not been a substantial increase in the coverage or value of the benefits, rights, or features described in subparagraph (A) or in the coverage or benefits under the plan described in subparagraph (B)(iii) (whichever is applicable).

“(D) DETERMINATION OF SUBSTANTIAL INCREASE FOR BENEFITS, RIGHTS, AND FEATURES.—In applying subparagraph (C)(ii) for purposes of subparagraph (A)(iii), a plan shall be treated as having had a substantial increase in coverage or value of the benefits, rights, or features described in subparagraph (A) during the applicable 5-year period only if, during such period—

“(i) the number of participants covered by such benefits, rights, or features on the date such period ends is more than 50 percent greater than the number of such participants on the first day of the plan year in which such period began, or

“(ii) such benefits, rights, and features have been modified by 1 or more plan amendments in such a way that, as of the date the class is closed, the value of such benefits, rights, and features to the closed class as a whole is substantially greater than the value as of the first day of such 5-year period, solely as a result of such amendments.

“(E) DETERMINATION OF SUBSTANTIAL INCREASE FOR AGGREGATE TESTING ON BENEFITS BASIS.—In applying subparagraph (C)(ii) for purposes of subparagraph (B)(iii)(IV), a plan shall be treated as having had a substantial increase in coverage or benefits during the applicable 5-year period only if, during such period—

“(i) the number of participants benefitting under the plan on the date such period ends is more than 50 percent greater than the number of such participants on the first day of the plan year in which such period began, or

“(ii) the average benefit provided to such participants on the date such period ends is more than 50 percent greater than the average benefit provided on the first day of the plan year in which such period began.

“(F) CERTAIN EMPLOYEES DISREGARDED.—For purposes of subparagraphs (D) and (E), any increase in coverage or value or in coverage or benefits, whichever is applicable, which is attributable to such coverage and value or coverage and benefits provided to employees—

“(i) who became participants as a result of a merger, acquisition, or similar event which occurred during the 7-year period preceding the date the class is closed, or

“(ii) who became participants by reason of a merger of the plan with another plan which had been in effect for at least 5 years as of the date of the merger,

shall be disregarded, except that clause (ii) shall apply for purposes of subparagraph (D) only if, under the merger, the benefits, rights, or features under 1 plan are conformed to the benefits, rights, or features of the other plan prospectively.

“(G) RULES RELATING TO AVERAGE BENEFIT.—For purposes of subparagraph (E)—

“(i) the average benefit provided to participants under the plan will be treated as having remained the same between the 2 dates described in subparagraph (E)(ii) if the benefit formula applicable to such participants has not changed between such dates, and

“(ii) if the benefit formula applicable to 1 or more participants under the plan has changed between such 2 dates, then the average benefit under the plan shall be considered to have increased by more than 50 percent only if—

“(I) the total amount determined under section 430(b)(1)(A)(i) for all participants benefitting under the plan for the plan year in which the 5-year period described in subparagraph (E) ends, exceeds

“(II) the total amount determined under section 430(b)(1)(A)(i) for all such participants for such plan year, by using the benefit formula in effect for each such participant for the first plan year in such 5-year period, by more than 50 percent.

In the case of a CSEC plan (as defined in section 414(y)), the normal cost of the plan (as determined under section 433(j)(1)(B)) shall be used in lieu of the amount determined under section 430(b)(1)(A)(i).

“(H) TREATMENT AS SINGLE PLAN.—For purposes of subparagraphs (E) and (G), a plan described in section 413(c) shall be treated as a single plan rather than as separate plans maintained by each employer in the plan.

“(I) SPECIAL RULES.—For purposes of subparagraphs (A)(i) and (B)(iii)(II), the following rules shall apply:

“(i) In applying section 410(b)(6)(C), the closing of the class of participants shall not be treated as a significant change in coverage under section 410(b)(6)(C)(i)(II).

“(ii) 2 or more plans shall not fail to be eligible to be aggregated and treated as a single plan solely by reason of having different plan years.

“(iii) Changes in the employee population shall be disregarded to the extent attributable to individuals who become employees or cease to be employees, after the date the class is closed, by reason of a merger, acquisition, divestiture, or similar event.

“(iv) Aggregation and all other testing methodologies otherwise applicable under subsection (a)(4) and section 410(b) may be taken into account.

The rule of clause (ii) shall also apply for purposes of determining whether plans to which subparagraph (B)(i) applies may be aggregated and treated as 1 plan for purposes of determining whether such plans meet the requirements of subsection (a)(4) and section 410(b).

“(J) SPUN-OFF PLANS.—For purposes of this paragraph, if a portion of a defined benefit plan described in subparagraph (A) or (B)(iii) is spun off to another employer and the spun-off plan continues to satisfy the requirements of—

“(i) subparagraph (A)(i) or (B)(iii)(II), whichever is applicable, if the original plan was still within the 3-year period described in such subparagraph at the time of the spin off, and

“(ii) subparagraph (A)(ii) or (B)(iii)(III), whichever is applicable,

the treatment under subparagraph (A) or (B) of the spun-off plan shall continue with respect to such other employer.

“(2) TESTING OF DEFINED CONTRIBUTION PLANS.—

“(A) TESTING ON A BENEFITS BASIS.—A defined contribution plan shall be permitted to be tested on a benefits basis if—

“(i) such defined contribution plan provides make-whole contributions to a closed class of participants whose accruals under a defined benefit plan have been reduced or eliminated,

“(ii) for the plan year of the defined contribution plan as of which the class eligible to receive such make-whole contributions closes and the 2 succeeding plan years, such closed class of par-

ticipants satisfies the requirements of section 410(b)(2)(A)(i) (determined by applying the rules of paragraph (1)(I)).

“(iii) after the date as of which the class was closed, any plan amendment to the defined contribution plan which modifies the closed class or the allocations, benefits, rights, and features provided to such closed class does not discriminate significantly in favor of highly compensated employees, and

“(iv) the class was closed before April 5, 2017, or the defined benefit plan under clause (i) is described in paragraph (1)(C) (as applied for purposes of paragraph (1)(B)(iii)(IV)).

“(B) AGGREGATION WITH PLANS INCLUDING MATCHING CONTRIBUTIONS.—

“(i) IN GENERAL.—With respect to 1 or more defined contribution plans described in subparagraph (A), for purposes of determining compliance with subsection (a)(4) and section 410(b), the portion of such plans which provides make-whole contributions or other nonelective contributions may be aggregated and tested on a benefits basis with the portion of 1 or more other defined contribution plans which—

“(I) provides matching contributions (as defined in subsection (m)(4)(A)),

“(II) provides annuity contracts described in section 403(b) which are purchased with matching contributions or nonelective contributions, or

“(III) consists of an employee stock ownership plan (within the meaning of section 4975(e)(7)) or a tax credit employee stock ownership plan (within the meaning of section 409(a)).

“(ii) SPECIAL RULES FOR MATCHING CONTRIBUTIONS.—Rules similar to the rules of paragraph (1)(B)(ii) shall apply for purposes of clause (i).

“(C) SPECIAL RULES FOR TESTING DEFINED CONTRIBUTION PLAN FEATURES PROVIDING MATCHING CONTRIBUTIONS TO CERTAIN OLDER, LONGER SERVICE PARTICIPANTS.—In the case of a defined contribution plan which provides benefits, rights, or features to a closed class of participants whose accruals under a defined benefit plan have been reduced or eliminated, the plan shall not fail to satisfy the requirements of subsection (a)(4) solely by reason of the composition of the closed class or the benefits, rights, or features provided to such closed class if the defined contribution plan and defined benefit plan otherwise meet the requirements of subparagraph (A) but for the fact that the make-whole contributions under the defined contribution plan are made in whole or in part through matching contributions.

“(D) SPUN-OFF PLANS.—For purposes of this paragraph, if a portion of a defined contribution plan described in subparagraph (A) or (C) is spun off to another employer, the treatment under subparagraph (A) or (C) of the spun-off plan shall continue with respect to the other employer if such plan continues to comply with the requirements of clauses (ii) (if the original plan was still within the 3-year period described in such clause at the time of the spin off) and (iii) of subparagraph (A), as determined for purposes of subparagraph (A) or (C), whichever is applicable.

“(3) DEFINITIONS.—For purposes of this subsection—

“(A) MAKE-WHOLE CONTRIBUTIONS.—Except as otherwise provided in paragraph (2)(C), the term ‘make-whole contributions’ means nonelective allocations for each employee in the class which are reasonably calculated, in a consistent manner, to replace some or all of the retirement benefits which the employee would have received under the defined benefit plan and any other plan or qualified cash or deferred arrangement under subsection (k)(2) if no change had been made to such defined benefit plan and such other plan or arrangement. For purposes of the preceding sentence, consistency shall not be required with respect to employees who were subject to different benefit formulas under the defined benefit plan.

“(B) REFERENCES TO CLOSED CLASS OF PARTICIPANTS.—References to a closed class of par-

ticipants and similar references to a closed class shall include arrangements under which 1 or more classes of participants are closed, except that 1 or more classes of participants closed on different dates shall not be aggregated for purposes of determining the date any such class was closed.

“(C) HIGHLY COMPENSATED EMPLOYEE.—The term ‘highly compensated employee’ has the meaning given such term in section 414(q).”

(b) PARTICIPATION REQUIREMENTS.—Section 401(a)(26) is amended by adding at the end the following new subparagraph:

“(I) PROTECTED PARTICIPANTS.—

“(i) IN GENERAL.—A plan shall be deemed to satisfy the requirements of subparagraph (A) if—

“(I) the plan is amended—

“(aa) to cease all benefit accruals, or

“(bb) to provide future benefit accruals only to a closed class of participants,

“(II) the plan satisfies subparagraph (A) (without regard to this subparagraph) as of the effective date of the amendment, and

“(III) the amendment was adopted before April 5, 2017, or the plan is described in clause (ii).

“(ii) PLANS DESCRIBED.—A plan is described in this clause if the plan would be described in subsection (o)(1)(C), as applied for purposes of subsection (o)(1)(B)(iii)(IV) and by treating the effective date of the amendment as the date the class was closed for purposes of subsection (o)(1)(C).

“(iii) SPECIAL RULES.—For purposes of clause (i)(II), in applying section 410(b)(6)(C), the amendments described in clause (i) shall not be treated as a significant change in coverage under section 410(b)(6)(C)(i)(II).

“(iv) SPUN-OFF PLANS.—For purposes of this subparagraph, if a portion of a plan described in clause (i) is spun off to another employer, the treatment under clause (i) of the spun-off plan shall continue with respect to the other employer.”

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act, without regard to whether any plan modifications referred to in such amendments are adopted or effective before, on, or after such date of enactment.

(2) SPECIAL RULES.—

(A) ELECTION OF EARLIER APPLICATION.—At the election of the plan sponsor, the amendments made by this section shall apply to plan years beginning after December 31, 2013.

(B) CLOSED CLASSES OF PARTICIPANTS.—For purposes of paragraphs (1)(A)(iii), (1)(B)(iii)(IV), and (2)(A)(iv) of section 401(o) of the Internal Revenue Code of 1986 (as added by this section), a closed class of participants shall be treated as being closed before April 5, 2017, if the plan sponsor’s intention to create such closed class is reflected in formal written documents and communicated to participants before such date.

(C) CERTAIN POST-ENACTMENT PLAN AMENDMENTS.—A plan shall not be treated as failing to be eligible for the application of section 401(o)(1)(A), 401(o)(1)(B)(iii), or 401(a)(26) of such Code (as added by this section) to such plan solely because in the case of—

(i) such section 401(o)(1)(A), the plan was amended before the date of the enactment of this Act to eliminate 1 or more benefits, rights, or features, and is further amended after such date of enactment to provide such previously eliminated benefits, rights, or features to a closed class of participants, or

(ii) such section 401(o)(1)(B)(iii) or section 401(a)(26), the plan was amended before the date of the enactment of this Act to cease all benefit accruals, and is further amended after such date of enactment to provide benefit accruals to a closed class of participants. Any such section shall only apply if the plan otherwise

meets the requirements of such section and in applying such section, the date the class of participants is closed shall be the effective date of the later amendment.

**SEC. 223. FIDUCIARY SAFE HARBOR FOR SELECTION OF LIFETIME INCOME PROVIDER.**

Section 404 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104) is amended by adding at the end the following:

“(e) SAFE HARBOR FOR ANNUITY SELECTION.—

“(I) IN GENERAL.—With respect to the selection of an insurer for a guaranteed retirement income contract, the requirements of subsection (a)(1)(B) will be deemed to be satisfied if a fiduciary—

“(A) engages in an objective, thorough, and analytical search for the purpose of identifying insurers from which to purchase such contracts;“(B) with respect to each insurer identified under subparagraph (A)—

“(i) considers the financial capability of such insurer to satisfy its obligations under the guaranteed retirement income contract; and

“(ii) considers the cost (including fees and commissions) of the guaranteed retirement income contract offered by the insurer in relation to the benefits and product features of the contract and administrative services to be provided under such contract; and

“(C) on the basis of such consideration, concludes that—

“(i) at the time of the selection, the insurer is financially capable of satisfying its obligations under the guaranteed retirement income contract; and

“(ii) the relative cost of the selected guaranteed retirement income contract as described in subparagraph (B)(ii) is reasonable.

“(2) FINANCIAL CAPABILITY OF THE INSURER.—A fiduciary will be deemed to satisfy the requirements of paragraphs (1)(B)(i) and (1)(C)(i) if—

“(A) the fiduciary obtains written representations from the insurer that—

“(i) the insurer is licensed to offer guaranteed retirement income contracts;

“(ii) the insurer, at the time of selection and for each of the immediately preceding 7 plan years—

“(I) operates under a certificate of authority from the insurance commissioner of its domiciliary State which has not been revoked or suspended;

“(II) has filed audited financial statements in accordance with the laws of its domiciliary State under applicable statutory accounting principles;

“(III) maintains (and has maintained) reserves which satisfies all the statutory requirements of all States where the insurer does business; and

“(IV) is not operating under an order of supervision, rehabilitation, or liquidation;

“(iii) the insurer undergoes, at least every 5 years, a financial examination (within the meaning of the law of its domiciliary State) by the insurance commissioner of the domiciliary State (or representative, designee, or other party approved by such commissioner); and

“(iv) the insurer will notify the fiduciary of any change in circumstances occurring after the provision of the representations in clauses (i), (ii), and (iii) which would preclude the insurer from making such representations at the time of issuance of the guaranteed retirement income contract; and

“(B) after receiving such representations and as of the time of selection, the fiduciary has not received any notice described in subparagraph (A)(iv) and is in possession of no other information which would cause the fiduciary to question the representations provided.

“(3) NO REQUIREMENT TO SELECT LOWEST COST.—Nothing in this subsection shall be construed to require a fiduciary to select the lowest cost contract. A fiduciary may consider the value of a contract, including features and ben-

efits of the contract and attributes of the insurer (including, without limitation, the insurer’s financial strength) in conjunction with the cost of the contract.

“(4) TIME OF SELECTION.—

“(A) IN GENERAL.—For purposes of this subsection, the time of selection is—

“(i) the time that the insurer and the contract are selected for distribution of benefits to a specific participant or beneficiary; or

“(ii) if the fiduciary periodically reviews the continuing appropriateness of the conclusion described in paragraph (1)(C) with respect to a selected insurer, taking into account the considerations described in such paragraph, the time that the insurer and the contract are selected to provide benefits at future dates to participants or beneficiaries under the plan.

Nothing in the preceding sentence shall be construed to require the fiduciary to review the appropriateness of a selection after the purchase of a contract for a participant or beneficiary.

“(B) PERIODIC REVIEW.—A fiduciary will be deemed to have conducted the periodic review described in subparagraph (A)(ii) if the fiduciary obtains the written representations described in clauses (i), (ii), and (iii) of paragraph (2)(A) from the insurer on an annual basis, unless the fiduciary receives any notice described in paragraph (2)(A)(iv) or otherwise becomes aware of facts that would cause the fiduciary to question such representations.

“(5) LIMITED LIABILITY.—A fiduciary which satisfies the requirements of this subsection shall not be liable following the distribution of any benefit, or the investment by or on behalf of a participant or beneficiary pursuant to the selected guaranteed retirement income contract, for any losses that may result to the participant or beneficiary due to an insurer’s inability to satisfy its financial obligations under the terms of such contract.

“(6) DEFINITIONS.—For purposes of this subsection—

“(A) INSURER.—The term ‘insurer’ means an insurance company, insurance service, or insurance organization, including affiliates of such companies.

“(B) GUARANTEED RETIREMENT INCOME CONTRACT.—The term ‘guaranteed retirement income contract’ means an annuity contract for a fixed term or a contract (or provision or feature thereof) which provides guaranteed benefits annually (or more frequently) for at least the remainder of the life of the participant or the joint lives of the participant and the participant’s designated beneficiary as part of an individual account plan.”.

**SEC. 224. DISCLOSURE REGARDING LIFETIME INCOME.**

(a) IN GENERAL.—Subparagraph (B) of section 105(a)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)(2)) is amended—

(1) in clause (i), by striking “and” at the end;

(2) in clause (ii), by striking “diversification,” and inserting “diversification, and”; and

(3) by inserting at the end the following:

“(iii) the lifetime income disclosure described in subparagraph (D)(i).

In the case of pension benefit statements described in clause (i) of paragraph (1)(A), a lifetime income disclosure under clause (iii) of this subparagraph shall be required to be included in only one pension benefit statement during any one 12-month period.”.

(b) LIFETIME INCOME.—Paragraph (2) of section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)) is amended by adding at the end the following new subparagraph:

“(D) LIFETIME INCOME DISCLOSURE.—

“(i) IN GENERAL.—

“(I) DISCLOSURE.—A lifetime income disclosure shall set forth the lifetime income stream equivalent of the total benefits accrued with respect to the participant or beneficiary.

“(II) LIFETIME INCOME STREAM EQUIVALENT OF THE TOTAL BENEFITS ACCRUED.—For purposes of this subparagraph, the term ‘lifetime income stream equivalent of the total benefits accrued’ means the amount of monthly payments the participant or beneficiary would receive if the total accrued benefits of such participant or beneficiary were used to provide lifetime income streams described in subclause (III), based on assumptions specified in rules prescribed by the Secretary.

“(III) LIFETIME INCOME STREAMS.—The lifetime income streams described in this subclause are a qualified joint and survivor annuity (as defined in section 205(d)), based on assumptions specified in rules prescribed by the Secretary, including the assumption that the participant or beneficiary has a spouse of equal age, and a single life annuity. Such lifetime income streams may have a term certain or other features to the extent permitted under rules prescribed by the Secretary.

“(ii) MODEL DISCLOSURE.—Not later than 1 year after the date of the enactment of the Retirement, Savings, and Other Tax Relief Act of 2018, the Secretary shall issue a model lifetime income disclosure, written in a manner so as to be understood by the average plan participant, which—

“(I) explains that the lifetime income stream equivalent is only provided as an illustration;

“(II) explains that the actual payments under the lifetime income stream described in clause (i)(III) which may be purchased with the total benefits accrued will depend on numerous factors and may vary substantially from the lifetime income stream equivalent in the disclosures;

“(III) explains the assumptions upon which the lifetime income stream equivalent was determined; and

“(IV) provides such other similar explanations as the Secretary considers appropriate.

“(iii) ASSUMPTIONS AND RULES.—Not later than 1 year after the date of the enactment of the Retirement, Savings, and Other Tax Relief Act of 2018, the Secretary shall—

“(I) prescribe assumptions which administrators of individual account plans may use in converting total accrued benefits into lifetime income stream equivalents for purposes of this subparagraph; and

“(II) issue interim final rules under clause (i).

In prescribing assumptions under subclause (I), the Secretary may prescribe a single set of specific assumptions (in which case the Secretary may issue tables or factors which facilitate such conversions), or ranges of permissible assumptions. To the extent that an accrued benefit is or may be invested in a lifetime income stream described in clause (i)(III), the assumptions prescribed under subclause (I) shall, to the extent appropriate, permit administrators of individual account plans to use the amounts payable under such lifetime income stream as a lifetime income stream equivalent.

“(iv) LIMITATION ON LIABILITY.—No plan fiduciary, plan sponsor, or other person shall have any liability under this title solely by reason of the provision of lifetime income stream equivalents which are derived in accordance with the assumptions and rules described in clause (iii) and which include the explanations contained in the model lifetime income disclosure described in clause (ii). This clause shall apply without regard to whether the provision of such lifetime income stream equivalent is required by subparagraph (B)(iii).

“(v) EFFECTIVE DATE.—The requirement in subparagraph (B)(iii) shall apply to pension benefit statements furnished more than 12 months after the latest of the issuance by the Secretary of—

“(I) interim final rules under clause (i);

“(II) the model disclosure under clause (ii); or

“(III) the assumptions under clause (iii).”.

**SEC. 225. MODIFICATION OF PBGC PREMIUMS FOR CSEC PLANS.**

(a) FLAT RATE PREMIUM.—Subparagraph (A) of section 4006(a)(3) of the Employee Retirement

Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended—

(1) in clause (i), by striking “plan,” and inserting “plan other than a CSEC plan (as defined in section 210(f)(1))”;

(2) in clause (v), by striking “or” at the end;

(3) in clause (vi), by striking the period at the end and inserting “, or”;

(4) by adding at the end the following new clause:

“(vii) in the case of a CSEC plan (as defined in section 210(f)(1)), for plan years beginning after December 31, 2018, for each individual who is a participant in such plan during the plan year an amount equal to the sum of—

“(I) the additional premium (if any) determined under subparagraph (E), and  
“(II) \$19.”

(b) VARIABLE RATE PREMIUM.—

(1) UNFUNDED VESTED BENEFITS.—

(A) IN GENERAL.—Subparagraph (E) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended by adding at the end the following new clause:

“(v) For purposes of clause (ii), in the case of a CSEC plan (as defined in section 210(f)(1)), the term ‘unfunded vested benefits’ means, for plan years beginning after December 31, 2018, the excess (if any) of—

“(I) the funding liability of the plan as determined under section 306(j)(5)(C) for the plan year by only taking into account vested benefits, over

“(II) the fair market value of plan assets for the plan year which are held by the plan on the valuation date.”

(B) CONFORMING AMENDMENT.—Clause (iii) of section 4006(a)(3)(E) of such Act (29 U.S.C. 1306(a)(3)(E)) is amended by striking “For purposes” and inserting “Except as provided in clause (v), for purposes”.

(2) APPLICABLE DOLLAR AMOUNT.—

(A) IN GENERAL.—Paragraph (8) of section 4006(a) of such Act (29 U.S.C. 1306(a)) is amended by adding at the end the following new subparagraph:

“(E) CSEC PLANS.—In the case of a CSEC plan (as defined in section 210(f)(1)), the applicable dollar amount shall be \$9.”

(B) CONFORMING AMENDMENT.—Subparagraph (A) of section 4006(a)(8) of such Act (29 U.S.C. 1306(a)(8)) is amended by striking “(B) and (C)” and inserting “(B), (C), and (E)”.

#### Subtitle C—Other Savings Provisions

#### SEC. 231. EXPANSION OF SECTION 529 PLANS.

(a) DISTRIBUTIONS FOR CERTAIN EXPENSES ASSOCIATED WITH REGISTERED APPRENTICESHIP PROGRAMS.—Section 529(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) TREATMENT OF CERTAIN EXPENSES ASSOCIATED WITH REGISTERED APPRENTICESHIP PROGRAMS.—Any reference in this subsection to the term ‘qualified higher education expense’ shall include a reference to expenses for fees, books, supplies, and equipment required for the participation of a designated beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (29 U.S.C. 50).”

(b) DISTRIBUTIONS FOR CERTAIN HOMESCHOOLING EXPENSES.—Section 529(c)(7) of such Code is amended by striking “include a reference to” and all that follows and inserting “include a reference to—

“(A) expenses for tuition in connection with enrollment or attendance of a designated beneficiary at an elementary or secondary public, private, or religious school, and

“(B) expenses, with respect to a designated beneficiary, for—

“(i) curriculum and curricular materials,

“(ii) books or other instructional materials,

“(iii) online educational materials,

“(iv) tuition for tutoring or educational classes outside of the home (but only if the tutor or

class instructor is not related (within the meaning of section 152(d)(2)) to the student),

“(v) dual enrollment in an institution of higher education, and

“(vi) educational therapies for students with disabilities,

in connection with a homeschool (whether treated as a homeschool or a private school for purposes of applicable State law).”

(c) DISTRIBUTIONS FOR QUALIFIED EDUCATION LOAN REPAYMENTS.—

(1) IN GENERAL.—Section 529(c) of such Code, as amended by subsection (a), is amended by adding at the end the following new paragraph:

“(9) TREATMENT OF QUALIFIED EDUCATION LOAN REPAYMENTS.—

“(A) IN GENERAL.—Any reference in this subsection to the term ‘qualified higher education expense’ shall include a reference to amounts paid as principal or interest on any qualified education loan (as defined in section 221(d)) of the designated beneficiary or a sibling of the designated beneficiary.

“(B) LIMITATION.—The amount of distributions treated as a qualified higher education expense under this paragraph with respect to the loans of any individual shall not exceed \$10,000 (reduced by the amount of distributions so treated for all prior taxable years).

“(C) SPECIAL RULES FOR SIBLINGS OF THE DESIGNATED BENEFICIARY.—

“(i) SEPARATE ACCOUNTING.—For purposes of subparagraph (B) and subsection (d), amounts treated as a qualified higher education expense with respect to the loans of a sibling of the designated beneficiary shall be taken into account with respect to such sibling and not with respect to such designated beneficiary.

“(ii) SIBLING DEFINED.—For purposes of this paragraph, the term ‘sibling’ means an individual who bears a relationship to the designated beneficiary which is described in section 152(d)(2)(B).”

(2) COORDINATION WITH DEDUCTION FOR STUDENT LOAN INTEREST.—Section 221(e)(1) of such Code is amended by adding at the end the following: “The deduction otherwise allowable under subsection (a) (prior to the application of subsection (b)) to the taxpayer for any taxable year shall be reduced (but not below zero) by so much of the distributions treated as a qualified higher education expense under section 529(c)(9) with respect to loans of the taxpayer as would be includible in gross income under section 529(c)(3)(A) for such taxable year but for such treatment.”

(d) DISTRIBUTIONS FOR CERTAIN ELEMENTARY AND SECONDARY SCHOOL EXPENSES IN ADDITION TO TUITION.—Section 529(c)(7)(A), as amended by subsection (b), is amended to read as follows: “(A) expenses described in section 530(b)(3)(A)(i) in connection with enrollment or attendance of a designated beneficiary at an elementary or secondary public, private, or religious school, and”

(e) UNBORN CHILDREN ALLOWED AS ACCOUNT BENEFICIARIES.—Section 529(e) is amended by adding at the end the following new paragraph:

“(6) TREATMENT OF UNBORN CHILDREN.—

“(A) IN GENERAL.—Nothing shall prevent an unborn child from being treated as a designated beneficiary or an individual under this section.

“(B) UNBORN CHILD.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘unborn child’ means a child in utero.

“(ii) CHILD IN UTERO.—The term ‘child in utero’ means a member of the species *homo sapiens*, at any stage of development, who is carried in the womb.”

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to distributions made after December 31, 2018.

(2) UNBORN CHILDREN ALLOWED AS ACCOUNT BENEFICIARIES.—The amendment made by subsection (e) shall apply to contributions made after December 31, 2018.

#### SEC. 232. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR INDIVIDUALS IN CASE OF BIRTH OF CHILD OR ADOPTION.

(a) IN GENERAL.—Section 72(t)(2) is amended by adding at the end the following new subparagraph:

“(H) DISTRIBUTIONS FROM RETIREMENT PLANS IN CASE OF BIRTH OF CHILD OR ADOPTION.—

“(i) IN GENERAL.—Any qualified birth or adoption distribution.

“(ii) LIMITATION.—The aggregate amount which may be treated as qualified birth or adoption distributions by any individual with respect to any birth or adoption shall not exceed \$7,500.

“(iii) QUALIFIED BIRTH OR ADOPTION DISTRIBUTION.—For purposes of this subparagraph—

“(I) IN GENERAL.—The term ‘qualified birth or adoption distribution’ means any distribution from an applicable eligible retirement plan to an individual if made during the 1-year period beginning on the date on which a child of the individual is born or on which the legal adoption by the individual of an eligible child is finalized.

“(II) ELIGIBLE CHILD.—The term ‘eligible child’ means any individual (other than a child of the taxpayer’s spouse) who has not attained age 18 or is physically or mentally incapable of self-support.

“(iv) TREATMENT OF PLAN DISTRIBUTIONS.—

“(I) IN GENERAL.—If a distribution to an individual would (without regard to clause (ii)) be a qualified birth or adoption distribution, a plan shall not be treated as failing to meet any requirement of this title merely because the plan treats the distribution as a qualified birth or adoption distribution, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds \$7,500.

“(II) CONTROLLED GROUP.—For purposes of subclause (I), the term ‘controlled group’ means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414.

“(v) AMOUNT DISTRIBUTED MAY BE REPAYED.—

“(I) IN GENERAL.—Any individual who receives a qualified birth or adoption distribution may make one or more contributions in an aggregate amount not to exceed the amount of such distribution to an applicable eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), as the case may be.

“(II) LIMITATION ON CONTRIBUTIONS TO APPLICABLE ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—The aggregate amount of contributions made by an individual under subclause (I) to any applicable eligible retirement plan which is not an individual retirement plan shall not exceed the aggregate amount of qualified birth or adoption distributions which are made from such plan to such individual. Subclause (I) shall not apply to contributions to any applicable eligible retirement plan which is not an individual retirement plan unless the individual is eligible to make contributions (other than those described in subclause (I)) to such applicable eligible retirement plan.

“(III) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM APPLICABLE ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—If a contribution is made under subclause (I) with respect to a qualified birth or adoption distribution from an applicable eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received such distribution in an eligible rollover distribution (as defined in section 402(c)(4)) and as having transferred the amount to the applicable eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

“(IV) TREATMENT OF REPAYMENTS FOR DISTRIBUTIONS FROM IRAS.—If a contribution is

made under subclause (I) with respect to a qualified birth or adoption distribution from an individual retirement plan, then, to the extent of the amount of the contribution, such distribution shall be treated as a distribution described in section 408(d)(3) and as having been transferred to the applicable eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

“(vi) DEFINITION AND SPECIAL RULES.—For purposes of this subparagraph—

“(I) APPLICABLE ELIGIBLE RETIREMENT PLAN.—The term ‘applicable eligible retirement plan’ means an eligible retirement plan (as defined in section 402(c)(8)(B)) other than a defined benefit plan.

“(II) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405, a qualified birth or adoption distribution shall not be treated as an eligible rollover distribution.

“(III) TAXPAYER MUST INCLUDE TIN.—A distribution shall not be treated as a qualified birth or adoption distribution with respect to any child or eligible child unless the taxpayer includes the name, age, and TIN of such child or eligible child on the taxpayer’s return of tax for the taxable year.

“(IV) DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—Any qualified birth or adoption distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2018.

### TITLE III—REPEAL OR DELAY OF CERTAIN HEALTH-RELATED TAXES

#### SEC. 301. EXTENSION OF MORATORIUM ON MEDICAL DEVICE EXCISE TAX.

Section 4191(c) of the Internal Revenue Code of 1986 is amended by striking “December 31, 2019” and inserting “December 31, 2024”.

#### SEC. 302. DELAY IN IMPLEMENTATION OF EXCISE TAX ON HIGH COST EMPLOYER-SPONSORED HEALTH COVERAGE.

Section 9001(c) of the Patient Protection and Affordable Care Act is amended by striking “December 31, 2021” and inserting “December 31, 2022”.

#### SEC. 303. EXTENSION OF SUSPENSION OF ANNUAL FEE ON HEALTH INSURANCE PROVIDERS.

Section 9010(j)(3) of the Patient Protection and Affordable Care Act is amended by striking “December 31, 2019” and inserting “December 31, 2021”.

#### SEC. 304. REPEAL OF EXCISE TAX ON INDOOR TANNING SERVICES.

(a) IN GENERAL.—Subtitle D of the Internal Revenue Code of 1986 is amended by striking chapter 49 and by striking the item relating to such chapter in the table of chapters of such subtitle.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to services performed in calendar quarters beginning more than 30 days after the date of the enactment of this Act.

### TITLE IV—CERTAIN EXPIRING PROVISIONS

#### SEC. 401. RAILROAD TRACK MAINTENANCE CREDIT MADE PERMANENT.

(a) CREDIT PERCENTAGE REDUCED.—Section 45G(a) is amended by striking “50 percent” and inserting “30 percent”.

(b) MADE PERMANENT.—Section 45G is amended by striking subsection (f).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred during taxable years beginning after December 31, 2017.

#### SEC. 402. BIODESEL AND RENEWABLE DIESEL PROVISIONS EXTENDED AND PHASED OUT.

(a) INCOME TAX CREDIT.—

(1) IN GENERAL.—Section 40A(g) is amended to read as follows:

“(g) PHASE OUT; TERMINATION.—

“(1) PHASE OUT.—In the case of any sale or use after December 31, 2021, subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting for ‘\$1.00’—

“(A) ‘\$.75’, if such sale or use is before January 1, 2023,

“(B) ‘\$.50’, if such sale or use is after December 31, 2022, and before January 1, 2024, and

“(C) ‘\$.33’, if such sale or use is after December 31, 2023, and before January 1, 2025.

“(2) TERMINATION.—This section shall not apply to any sale or use after December 31, 2024.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to fuel sold or used after December 31, 2017.

(b) EXCISE TAX INCENTIVES.—

(1) PHASE OUT.—Section 6426(c)(2) is amended to read as follows:

“(2) APPLICABLE AMOUNT.—For purposes of this subsection, the applicable amount is—

“(A) \$1.00 in the case of any sale or use for any period before January 1, 2022,

“(B) \$.75 in the case of any sale or use for any period after December 31, 2021, and before January 1, 2023,

“(C) \$.50 in the case of any sale or use for any period after December 31, 2022, and before January 1, 2024, and

“(D) \$.33 in the case of any sale or use for any period after December 31, 2023, and before January 1, 2025.”

(2) TERMINATION.—

(A) IN GENERAL.—Section 6426(c)(6) is amended by striking “December 31, 2017” and inserting “December 31, 2024”.

(B) PAYMENTS.—Section 6427(e)(6)(B) is amended by striking “December 31, 2017” and inserting “December 31, 2024”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to fuel sold or used after December 31, 2017.

(4) SPECIAL RULE FOR 2018.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for the period beginning on January 1, 2018, and ending on December 31, 2018, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary’s delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods described in the preceding sentence. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

### TITLE V—OTHER PROVISIONS

#### SEC. 501. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 115-97.

(a) AMENDMENT RELATING TO SECTION 11011.—Section 852(b) is amended by adding at the end the following:

“(10) TREATMENT BY SHAREHOLDERS OF QUALIFIED REIT DIVIDENDS AND QUALIFIED PUBLICLY TRADED PARTNERSHIP INCOME.—

“(A) IN GENERAL.—A shareholder of a regulated investment company shall take into account for purposes of section 199A(b)(1)(B)—

“(i) as a qualified REIT dividend the amount which is reported by the company (in written

statements furnished to its shareholders) as being attributable to qualified REIT dividends received by the company, and

“(ii) as qualified publicly traded partnership income the amount which is reported by the company (in written statements furnished to its shareholders) as being attributable to qualified publicly traded partnership income of the company.

“(B) EXCESS REPORTED AMOUNTS.—Rules similar to the rules of clauses (ii) and (iii) of paragraph (5)(A) shall apply for purposes of this paragraph.

“(C) NEGATIVE QUALIFIED PUBLICLY TRADED PARTNERSHIP INCOME REQUIRED TO BE TAKEN INTO ACCOUNT.—If the qualified publicly traded partnership income of the company is less than zero, such income shall be reported by the company under subparagraph (A)(ii).

“(D) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this paragraph.”

(b) AMENDMENTS RELATING TO SECTION 13204.—

(1) Section 168(e)(3)(E) is amended by striking “and” at the end of clause (v), by striking the period at the end of clause (vi) and inserting “, and”, and by adding at the end the following new clause:

“(vii) any qualified improvement property.”

(2) The table contained in subparagraph (B) of section 168(g)(3) is amended—

(A) by striking the item relating to subparagraph (D)(v), and

(B) by inserting after the item relating to subparagraph (E)(vi) the following new item:

“(E)(vii) ..... 20”.

(c) AMENDMENT RELATING TO SECTION 13302.—Section 13302(e)(2) of Public Law 115-97 is amended by striking “ending” and inserting “beginning”.

(d) AMENDMENT RELATING TO SECTION 13307.—Section 162(q)(2) is amended by inserting “in the case of the taxpayer for whom a deduction is disallowed by reason of paragraph (1),” before “attorney’s fees”.

(e) AMENDMENT RELATING TO SECTION 14103.—(1) IN GENERAL.—Section 965(h) is amended by adding at the end the following new paragraph:

“(7) INSTALLMENTS NOT TO PREVENT CREDIT OR REFUND OF OVERPAYMENTS OR INCREASE ESTIMATED TAXES.—If an election is made under paragraph (1) to pay the net tax liability under this section in installments—

“(A) no installment of such net tax liability shall—

“(i) in the case of a request for credit or refund, be taken into account as a liability for purposes of determining whether an overpayment exists for purposes of section 6402 before the date on which such installment is due, or

“(ii) for purposes of sections 6425, 6654, and 6655, be treated as a tax imposed by section 1, section 11, or subchapter L of chapter 1, and

“(B) the first sentence of section 6403 shall not apply with respect to any such installment.”

(2) LIMITATION ON PAYMENT OF INTEREST.—In the case of the portion of any overpayment which exists by reason of the application of section 965(h)(7) of the Internal Revenue Code of 1986 (as added by this subsection)—

(A) if credit or refund of such portion is made on or before the date which is 45 days after the date of the enactment of this Act, no interest shall be allowed or paid under section 6611 of such Code with respect to such portion, and

(B) if credit or refund of such portion is made after the date which is 45 days after the date of the enactment of this Act, no interest shall be allowed or paid under section 6611 of such Code with respect to such portion for any period before the date of the enactment of this Act.

(f) AMENDMENTS RELATING TO SECTION 14213.—

(1) Section 958(b) is amended—

(A) by inserting after paragraph (3) the following:

“(4) Subparagraphs (A), (B), and (C) of section 318(a)(3) shall not be applied so as to consider a United States person as owning stock which is owned by a person who is not a United States person.”, and

(B) by striking “Paragraph (1)” in the last sentence and inserting “Paragraphs (1) and (4)”.

(2) Subpart F of part III of subchapter N of chapter 1 is amended by inserting after section 951A the following new section:

**“SEC. 951B. AMOUNTS INCLUDED IN GROSS INCOME OF FOREIGN CONTROLLED UNITED STATES SHAREHOLDERS.**

“(a) IN GENERAL.—In the case of any foreign controlled United States shareholder of a foreign controlled foreign corporation—

“(1) this subpart (other than sections 951A, 951(b), 957, and 965) shall be applied with respect to such shareholder (separately from, and in addition to, the application of this subpart without regard to this section)—

“(A) by substituting ‘foreign controlled United States shareholder’ for ‘United States shareholder’ each place it appears therein, and

“(B) by substituting ‘foreign controlled foreign corporation’ for ‘controlled foreign corporation’ each place it appears therein, and

“(2) sections 951A and 965 shall be applied with respect to such shareholder—

“(A) by treating each reference to ‘United States shareholder’ in such sections as including a reference to such shareholder, and

“(B) by treating each reference to ‘controlled foreign corporation’ in such sections as including a reference to such foreign controlled foreign corporation.

“(b) FOREIGN CONTROLLED UNITED STATES SHAREHOLDER.—For purposes of this section, the term ‘foreign controlled United States shareholder’ means, with respect to any foreign corporation, any United States person which would be a United States shareholder with respect to such foreign corporation if—

“(1) section 951(b) were applied by substituting ‘more than 50 percent’ for ‘10 percent or more’, and

“(2) section 958(b) were applied without regard to paragraph (4) thereof.

“(c) FOREIGN CONTROLLED FOREIGN CORPORATION.—For purposes of this section, the term ‘foreign controlled foreign corporation’ means a foreign corporation, other than a controlled foreign corporation, which would be a controlled foreign corporation if section 957(a) were applied—

“(1) by substituting ‘foreign controlled United States shareholders’ for ‘United States shareholders’, and

“(2) by substituting ‘section 958(b) (other than paragraph (4) thereof)’ for ‘section 958(b)’.

“(d) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations or other guidance—

“(1) to treat a foreign controlled United States shareholder or a foreign controlled foreign corporation as a United States shareholder or as a controlled foreign corporation, respectively, for purposes of provisions of this title other than this subpart, and

“(2) to prevent the avoidance of the purposes of this section.”.

(3) The amendments made by paragraphs (1) and (2) shall apply to—

(A) the last taxable year of foreign corporations beginning before January 1, 2018, and each subsequent taxable year of such foreign corporations, and

(B) taxable years of United States persons in which or with which such taxable years of foreign corporations end.

(g) EFFECTIVE DATES.—Except as otherwise provided in this section, the amendments made by this section shall take effect as if included in the provision of Public Law 115-97 to which they relate.

**SEC. 502. CLARIFICATION OF TREATMENT OF VETERANS AS SPECIFIED GROUP FOR PURPOSES OF THE LOW-INCOME HOUSING TAX CREDIT.**

For purposes of section 42(g)(9)(B) of the Internal Revenue Code of 1986, veterans shall not fail to be treated as a specified group under a Federal program.

**SEC. 503. CLARIFICATION OF GENERAL PUBLIC USE REQUIREMENT FOR QUALIFIED RESIDENTIAL RENTAL PROJECTS.**

(a) IN GENERAL.—Section 142(d)(2) is amended by adding at the end the following new subparagraph:

“(F) CLARIFICATION OF GENERAL PUBLIC USE REQUIREMENT.—Rules similar to the rules of section 42(g)(9) shall apply for purposes of this subsection.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued before, on, or after the date of enactment of this Act.

**SEC. 504. FLOOR PLAN FINANCING APPLICABLE TO CERTAIN TRAILERS AND CAMPERS.**

(a) IN GENERAL.—Section 163(j)(9)(C) is amended by adding at the end the following new flush sentence:

“Such term shall include any trailer or camper which is designed to provide temporary living quarters for recreational, camping, travel, or seasonal use and is designed to be towed by, or affixed to, a motor vehicle.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.

**SEC. 505. REPEAL OF INCREASE IN UNRELATED BUSINESS TAXABLE INCOME BY DISALLOWED FRINGE.**

(a) IN GENERAL.—Section 512(a) is amended by striking paragraph (7).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 13703 of Public Law 115-97.

**SEC. 506. CERTAIN PURCHASES OF EMPLOYEE-OWNED STOCK DISREGARDED FOR PURPOSES OF FOUNDATION TAX ON EXCESS BUSINESS HOLDINGS.**

(a) IN GENERAL.—Section 4943(c)(4)(A) is amended by adding at the end the following new clause:

“(v) CERTAIN PURCHASES OF EMPLOYEE-OWNED STOCK DISREGARDED.—For purposes of clause (i), subparagraph (D), and paragraph (2), any voting stock which—

“(I) is not readily tradable on an established securities market,

“(II) is purchased by the business enterprise on or after January 1, 2005, from a stock bonus or profit sharing plan described in section 401(a) in which employees of such business enterprise participate, in connection with a distribution from such plan, and

“(III) is held by the business enterprise as treasury stock, cancelled, or retired, shall be treated as outstanding voting stock, but only to the extent so treating such stock would not result in permitted holdings exceeding 49 percent (determined without regard to this clause). The preceding sentence shall not apply with respect to the purchase of stock from a plan during the 10-year period beginning on the date the plan is established.”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act and to purchases by a business enterprise of voting stock in taxable years beginning before, on, or after the date of enactment of this Act.

(2) SPECIAL RULE FOR GRANDFATHERED FOUNDATIONS IN CASE OF DECREASE IN OWNERSHIP BY REASON OF PRE-ENACTMENT PURCHASES.—Section 4943(c)(4)(A)(ii) of the Internal Revenue Code of 1986 shall not apply with respect to any decrease in the percentage of holdings in a business enterprise by reason of section 4943(c)(4)(A)(v) of such Code (as added by this section).

**SEC. 507. ALLOWING 501(c)(3) ORGANIZATION TO MAKE STATEMENTS RELATING TO POLITICAL CAMPAIGN IN ORDINARY COURSE OF CARRYING OUT ITS TAX EXEMPT PURPOSE.**

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(s) SPECIAL RULE RELATING TO POLITICAL CAMPAIGN STATEMENTS OF ORGANIZATION DESCRIBED IN SUBSECTION (c)(3).—

“(1) IN GENERAL.—For purposes of subsection (c)(3) and sections 170(c)(2), 2055, 2106, 2522, and 4955, an organization shall not fail to be treated as organized and operated exclusively for a purpose described in subsection (c)(3), nor shall it be deemed to have participated in, or intervened in any political campaign on behalf of (or in opposition to) any candidate for public office, solely because of the content of any statement which—

“(A) is made in the ordinary course of the organization’s regular and customary activities in carrying out its exempt purpose, and

“(B) results in the organization incurring not more than de minimis incremental expenses.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

**SEC. 508. CHARITABLE ORGANIZATIONS PERMITTED TO MAKE COLLEGIATE HOUSING AND INFRASTRUCTURE GRANTS.**

(a) IN GENERAL.—Section 501, as amended by the preceding provisions of this Act, is amended by adding at the end the following new subsection:

“(t) TREATMENT OF ORGANIZATIONS MAKING COLLEGIATE HOUSING AND INFRASTRUCTURE IMPROVEMENT GRANTS.—

“(1) IN GENERAL.—For purposes of subsection (c)(3) and sections 170(c)(2)(B), 2055(a)(2), and 2522(a)(2), an organization shall not fail to be treated as organized and operated exclusively for charitable or educational purposes solely because such organization makes collegiate housing and infrastructure grants to an organization described in subsection (c)(7) which applies the grant to its collegiate housing property.

“(2) HOUSING AND INFRASTRUCTURE GRANTS.—For purposes of paragraph (1), collegiate housing and infrastructure grants are grants to provide, improve, operate, or maintain collegiate housing property that may involve more than incidental social, recreational, or private purposes, so long as such grants are for purposes that would be permissible for a dormitory or other residential facility of the college or university with which the collegiate housing property is associated. A grant shall not be treated as a collegiate housing and infrastructure grant for purposes of paragraph (1) to the extent that such grant is used to provide physical fitness facilities.

“(3) COLLEGIATE HOUSING PROPERTY.—For purposes of this subsection, collegiate housing property is property in which, at the time of a grant or following the acquisition, lease, construction, or modification of such property using such grant, substantially all of the residents are full-time students at the college or university in the community where such property is located.

“(4) GRANTS TO CERTAIN ORGANIZATIONS HOLDING TITLE TO PROPERTY, ETC.—For purposes of this subsection, a collegiate housing and infrastructure grant to an organization described in subsection (c)(2) or (c)(7) holding title to property exclusively for the benefit of an organization described in subsection (c)(7) shall be considered a grant to the organization described in subsection (c)(7) for whose benefit such property is held.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to grants made in taxable years ending after the date of the enactment of this Act.

**SEC. 509. RESTRICTION ON REGULATION OF CONTINGENCY FEES WITH RESPECT TO TAX RETURNS, ETC.**

The Secretary of the Treasury may not regulate, prohibit, or restrict the use of a contingent fee in connection with tax returns, claims for refund, or documents in connection with tax returns or claims for refund prepared on behalf of a taxpayer.

**DIVISION B—TAXPAYER FIRST ACT OF 2018**  
**SECTION 1. SHORT TITLE; ETC.**

(a) **SHORT TITLE.**—This division may be cited as the “Taxpayer First Act of 2018”.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) **TABLE OF CONTENTS.**—The table of contents for this division is as follows:

Sec. 1. Short title; etc.

**TITLE I—PUTTING TAXPAYERS FIRST****Subtitle A—Independent Appeals Process**

Sec. 1001. Establishment of Internal Revenue Service Independent Office of Appeals.

**Subtitle B—Improved Service**

Sec. 1101. Comprehensive customer service strategy.

Sec. 1102. IRS Free File Program.

Sec. 1103. Low-income exception for payments otherwise required in connection with a submission of an offer-in-compromise.

**Subtitle C—Sensible Enforcement**

Sec. 1201. Internal Revenue Service seizure requirements with respect to structuring transactions.

Sec. 1202. Exclusion of interest received in action to recover property seized by the Internal Revenue Service based on structuring transaction.

Sec. 1203. Clarification of equitable relief from joint liability.

Sec. 1204. Modification of procedures for issuance of third-party summons.

Sec. 1205. Private debt collection and special compliance personnel program.

Sec. 1206. Reform of notice of contact of third parties.

Sec. 1207. Modification of authority to issue designated summons.

Sec. 1208. Limitation on access of non-Internal Revenue Service employees to returns and return information.

**Subtitle D—Organizational Modernization**

Sec. 1301. Office of the National Taxpayer Advocate.

Sec. 1302. Modernization of Internal Revenue Service organizational structure.

**Subtitle E—Other Provisions**

Sec. 1401. Return preparation programs for applicable taxpayers.

Sec. 1402. Provision of information regarding low-income taxpayer clinics.

Sec. 1403. Notice from IRS regarding closure of taxpayer assistance centers.

Sec. 1404. Rules for seizure and sale of perishable goods restricted to only perishable goods.

Sec. 1405. Whistleblower reforms.

Sec. 1406. Customer service information.

Sec. 1407. Misdirected tax refund deposits.

**TITLE II—21ST CENTURY IRS****Subtitle A—Cybersecurity and Identity Protection**

Sec. 2001. Public-private partnership to address identity theft refund fraud.

Sec. 2002. Recommendations of Electronic Tax Administration Advisory Committee regarding identity theft refund fraud.

Sec. 2003. Information sharing and analysis center.

Sec. 2004. Compliance by contractors with confidentiality safeguards.

Sec. 2005. Report on electronic payments.

Sec. 2006. Identity protection personal identification numbers.

Sec. 2007. Single point of contact for tax-related identity theft victims.

Sec. 2008. Notification of suspected identity theft.

Sec. 2009. Guidelines for stolen identity refund fraud cases.

Sec. 2010. Increased penalty for improper disclosure or use of information by preparers of returns.

**Subtitle B—Development of Information Technology**

Sec. 2101. Management of Internal Revenue Service information technology.

Sec. 2102. Development of online accounts and portals.

Sec. 2103. Internet platform for Form 1099 filings.

Sec. 2104. Streamlined critical pay authority for information technology positions.

**Subtitle C—Modernization of Consent-based Income Verification System**

Sec. 2201. Disclosure of taxpayer information for third-party income verification.

Sec. 2202. Limit redisclosures and uses of consent-based disclosures of tax return information.

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“(e) INDEPENDENT OFFICE OF APPEALS.—

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

“(2) CHIEF OF APPEALS.—

“(A) IN GENERAL.—The Internal Revenue Service Independent Office of Appeals shall be under the supervision and direction of an official to be known as the ‘Chief of Appeals’. The Chief of Appeals shall report directly to the Commissioner of the Internal Revenue Service and shall be entitled to compensation at the same rate as the highest rate of basic pay established for the Senior Executive Service under section 5382 of title 5, United States Code.

“(B) APPOINTMENT.—The Chief of Appeals shall be appointed by the Commissioner of the Internal Revenue Service without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service or the Senior Executive Service.

“(C) QUALIFICATIONS.—An individual appointed under subparagraph (B) shall have experience and expertise in—

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

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

“(iii) management of large service organizations.

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

“(A) is fair and impartial to both the Government and the taxpayer,

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

“(C) enhances public confidence in the integrity and efficiency of the Internal Revenue Service.

“(4) RIGHT OF APPEAL.—The resolution process described in paragraph (3) shall be generally available to all taxpayers.

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

“(A) IN GENERAL.—If any taxpayer which is in receipt of a notice of deficiency authorized under section 6212 requests referral to the Internal Revenue Service Independent Office of Appeals and such request is denied, the Commissioner of the Internal Revenue Service shall provide such taxpayer a written notice which—

“(i) provides a detailed description of the facts involved, the basis for the decision to deny the request, and a detailed explanation of how the basis of such decision applies to such facts, and

“(ii) describes the procedures prescribed under subparagraph (C) for protesting the decision to deny the request.

“(B) REPORT TO CONGRESS.—The Commissioner of the Internal Revenue Service shall submit a written report to Congress on an annual basis which includes the number of requests described in subparagraph (A) which were denied and the reasons (described by category) that such requests were denied.

“(C) PROCEDURES FOR PROTESTING DENIAL OF REQUEST.—The Commissioner of the Internal Revenue Service shall prescribe procedures for protesting to the Commissioner of the Internal Revenue Service a denial of a request described in subparagraph (A).

“(D) NOT APPLICABLE TO FRIVOLOUS POSITIONS.—This paragraph shall not apply to a request for referral to the Internal Revenue Service Independent Office of Appeals which is denied on the basis that the issue involved is a frivolous position (within the meaning of section 6702(c)).

“(6) STAFF.—

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

“(B) ACCESS TO STAFF OF OFFICE OF THE CHIEF COUNSEL.—The Chief of Appeals shall have authority to obtain legal assistance and advice

**TITLE I—PUTTING TAXPAYERS FIRST****Subtitle A—Independent Appeals Process**

**SEC. 1001. ESTABLISHMENT OF INTERNAL REVENUE SERVICE INDEPENDENT OFFICE OF APPEALS.**

(a) IN GENERAL.—Section 7803 is amended by adding at the end the following new subsection:

from the staff of the Office of the Chief Counsel. The Chief Counsel shall ensure that such assistance and advice is provided by staff of the Office of the Chief Counsel who were not involved in the case with respect to which such assistance and advice is sought and who are not involved in preparing such case for litigation.

“(7) ACCESS TO CASE FILES.—

“(A) IN GENERAL.—In any case in which a conference with the Internal Revenue Service Independent Office of Appeals has been scheduled upon request of a specified taxpayer, the Chief of Appeals shall ensure that such taxpayer is provided access to the nonprivileged portions of the case file on record regarding the disputed issues (other than documents provided by the taxpayer to the Internal Revenue Service) not later than 10 days before the date of such conference.

“(B) TAXPAYER ELECTION TO EXPEDITE CONFERENCE.—If the taxpayer so elects, subparagraph (A) shall be applied by substituting ‘the date of such conference’ for ‘10 days before the date of such conference’.

“(C) SPECIFIED TAXPAYER.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘specified taxpayer’ means—

“(I) in the case of any taxpayer who is a natural person, a taxpayer whose adjusted gross income does not exceed \$400,000 for the taxable year to which the dispute relates, and

“(II) in the case of any other taxpayer, a taxpayer whose gross receipts do not exceed \$5,000,000 for the taxable year to which the dispute relates.

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

(b) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking “Internal Revenue Service Office of Appeals” and inserting “Internal Revenue Service Independent Office of Appeals”:

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

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

(C) Subsections (b)(1) and (d)(3) of section 6330.

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

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

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

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

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

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

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

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

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

(c) OTHER REFERENCES.—Any reference in any provision of law, or regulation or other guidance, to the Internal Revenue Service Office of Appeals shall be treated as a reference to the Internal Revenue Service Independent Office of Appeals.

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

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ACCESS TO CASE FILES.—Section 7803(e)(7) of the Internal Revenue Code of 1986, as added by subsection (a), shall apply to conferences occurring after the date which is 1 year after the date of the enactment of this Act.

**Subtitle B—Improved Service**

**SEC. 1101. COMPREHENSIVE CUSTOMER SERVICE STRATEGY.**

(a) IN GENERAL.—Not later than the date which is 1 year after the date of the enactment of this Act, the Secretary of the Treasury shall submit to Congress a written comprehensive customer service strategy for the Internal Revenue Service. Such strategy shall include—

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

(2) a thorough assessment of the services that the Internal Revenue Service can co-locate with other Federal services or offer as self-service options,

(3) proposals to improve Internal Revenue Service customer service in the short term (the current and following fiscal year), medium term (approximately 3 to 5 fiscal years), and long term (approximately 10 fiscal years),

(4) a plan to update guidance and training materials for customer service employees of the Internal Revenue Service, including the Internal Revenue Manual, to reflect such strategy, and

(5) identified metrics and benchmarks for quantitatively measuring the progress of the Internal Revenue Service in implementing such strategy.

(b) UPDATED GUIDANCE AND TRAINING MATERIALS.—Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary’s delegate) shall make available the updated guidance and training materials described in subsection (a)(4) (including the Internal Revenue Manual). Such updated guidance and training materials (including the Internal Revenue Manual) shall be written in a manner so as to be easily understood by customer service employees of the Internal Revenue Service and shall provide clear instructions.

**SEC. 1102. IRS FREE FILE PROGRAM.**

(a) IN GENERAL.—

(1) The Secretary of the Treasury, or the Secretary’s delegate, shall continue to operate the IRS Free File Program as established by the Internal Revenue Service and published in the Federal Register on November 4, 2002 (67 Fed. Reg. 67247), including any subsequent agreements and governing rules established pursuant thereto.

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

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

(4) The IRS Free File Program shall continue to work cooperatively with the private sector to provide the free individual income tax preparation and the electronic filing services described in paragraphs (2) and (3).

(5) The IRS Free File Program shall work cooperatively with State government agencies to enhance and expand the use of the program to provide needed benefits to the taxpayer while reducing the cost of processing returns.

(b) INNOVATIONS.—The Secretary of the Treasury, or the Secretary’s delegate, shall work with the private sector through the IRS Free File Program to identify and implement, consistent with applicable law, innovative new program features to improve and simplify the taxpayer’s experience with completing and filing individual

income tax returns through voluntary compliance.

**SEC. 1103. LOW-INCOME EXCEPTION FOR PAYMENTS OTHERWISE REQUIRED IN CONNECTION WITH A SUBMISSION OF AN OFFER-IN-COMPROMISE.**

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

“(3) EXCEPTION FOR LOW-INCOME TAXPAYERS.—Paragraph (1), and any user fee otherwise required in connection with the submission of an offer-in-compromise, shall not apply to any offer-in-compromise with respect to a taxpayer who is an individual with adjusted gross income, as determined for the most recent taxable year for which such information is available, which does not exceed 250 percent of the applicable poverty level (as determined by the Secretary).”

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

**Subtitle C—Sensible Enforcement**

**SEC. 1201. INTERNAL REVENUE SERVICE SEIZURE REQUIREMENTS WITH RESPECT TO STRUCTURING TRANSACTIONS.**

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

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

“(A) IN GENERAL.—Any property”; and

(2) by adding at the end the following:

“(B) INTERNAL REVENUE SERVICE SEIZURE REQUIREMENTS WITH RESPECT TO STRUCTURING TRANSACTIONS.—

“(i) PROPERTY DERIVED FROM AN ILLEGAL SOURCE.—Property may only be seized by the Internal Revenue Service pursuant to subparagraph (A) by reason of a claimed violation of section 5324 if the property to be seized was derived from an illegal source or the funds were structured for the purpose of concealing the violation of a criminal law or regulation other than section 5324.

“(ii) NOTICE.—Not later than 30 days after property is seized by the Internal Revenue Service pursuant to subparagraph (A), the Internal Revenue Service shall—

“(I) make a good faith effort to find all persons with an ownership interest in such property; and

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

“(iii) EXTENSION OF NOTICE UNDER CERTAIN CIRCUMSTANCES.—The Internal Revenue Service may apply to a court of competent jurisdiction for one 30-day extension of the notice requirement under clause (ii) if the Internal Revenue Service can establish probable cause of an imminent threat to national security or personal safety necessitating such extension.

“(iv) POST-SEIZURE HEARING.—If a person with an ownership interest in property seized pursuant to subparagraph (A) by the Internal Revenue Service requests a hearing by a court of competent jurisdiction within 30 days after the date on which notice is provided under subclause (ii), such property shall be returned unless the court holds an adversarial hearing and finds within 30 days of such request (or such longer period as the court may provide, but only on request of an interested party) that there is probable cause to believe that there is a violation of section 5324 involving such property and probable cause to believe that the property to be seized was derived from an illegal source or the funds were structured for the purpose of concealing the violation of a criminal law or regulation other than section 5324.”

**SEC. 1202. EXCLUSION OF INTEREST RECEIVED IN ACTION TO RECOVER PROPERTY SEIZED BY THE INTERNAL REVENUE SERVICE BASED ON STRUCTURING TRANSACTION.**

(a) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting before section 140 the following new section:



**“SEC. 139H. INTEREST RECEIVED IN ACTION TO RECOVER PROPERTY SEIZED BY THE INTERNAL REVENUE SERVICE BASED ON STRUCTURING TRANSACTION.**

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

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting before the item relating to section 140 the following new item:

“Sec. 139H. Interest received in action to recover property seized by the Internal Revenue Service based on structuring transaction.”.

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

**SEC. 1203. CLARIFICATION OF EQUITABLE RELIEF FROM JOINT LIABILITY.**

(a) IN GENERAL.—Section 6015 is amended—  
(1) in subsection (e), by adding at the end the following new paragraph:

“(7) STANDARD AND SCOPE OF REVIEW.—Any review of a determination made under this section shall be reviewed de novo by the Tax Court and shall be based upon—

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

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

(2) by amending subsection (f) to read as follows:

“(f) EQUITABLE RELIEF.—

“(1) IN GENERAL.—Under procedures prescribed by the Secretary, if—

“(A) taking into account all the facts and circumstances, it is inequitable to hold the individual liable for any unpaid tax or any deficiency (or any portion of either), and

“(B) relief is not available to such individual under subsection (b) or (c),  
the Secretary may relieve such individual of such liability.

“(2) LIMITATION.—A request for equitable relief under this subsection may be made with respect to any portion of any liability that—

“(A) has not been paid, provided that such request is made before the expiration of the applicable period of limitation under section 6502, or

“(B) has been paid, provided that such request is made during the period in which the individual could submit a timely claim for refund or credit of such payment.”.

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

**SEC. 1204. MODIFICATION OF PROCEDURES FOR ISSUANCE OF THIRD-PARTY SUMMONS.**

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

“The Secretary shall not issue any summons described in the preceding sentence unless the information sought to be obtained is narrowly tailored to information that pertains to the failure (or potential failure) of the person or group or class of persons referred to in paragraph (2) to comply with one or more provisions of the internal revenue law which have been identified for purposes of such paragraph.”.

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

**SEC. 1205. PRIVATE DEBT COLLECTION AND SPECIAL COMPLIANCE PERSONNEL PROGRAM.**

(a) CERTAIN TAX RECEIVABLES NOT ELIGIBLE FOR COLLECTION UNDER TAX COLLECTION CONTRACTS.—Section 6306(d)(3) is amended by striking “or” at the end of subparagraph (C) and by

inserting after subparagraph (D) the following new subparagraphs:

“(E) a taxpayer substantially all of whose income consists of disability insurance benefits under section 223 of the Social Security Act or supplemental security income benefits under title XVI of the Social Security Act (including supplemental security income benefits of the type described in section 1616 of such Act or section 212 of Public Law 93-66), or

“(F) a taxpayer who is an individual with adjusted gross income, as determined for the most recent taxable year for which such information is available, which does not exceed 200 percent of the applicable poverty level (as determined by the Secretary).”.

(b) DETERMINATION OF INACTIVE TAX RECEIVABLES ELIGIBLE FOR COLLECTION UNDER TAX COLLECTION CONTRACTS.—Section 6306(c)(2)(A)(ii) is amended by striking “more than 1/5 of the period of the applicable statute of limitation has lapsed” and inserting “more than 2 years has passed since assessment”.

(c) MAXIMUM LENGTH OF INSTALLMENT AGREEMENTS OFFERED UNDER TAX COLLECTION CONTRACTS.—Section 6306(b)(1)(B) is amended by striking “5 years” and inserting “7 years”.

(d) CLARIFICATION THAT SPECIAL COMPLIANCE PERSONNEL PROGRAM ACCOUNT MAY BE USED FOR PROGRAM COSTS.—  
(1) IN GENERAL.—Section 6307(b) is amended—  
(A) in paragraph (2), by striking all that follows “under such program” and inserting a period, and

(B) in paragraph (3), by striking all that follows “out of such account” and inserting “for other than program costs”.

(2) COMMUNICATIONS, SOFTWARE, AND TECHNOLOGY COSTS TREATED AS PROGRAM COSTS.—Section 6307(d)(2)(B) is amended by striking “telecommunications” and inserting “communications, software, technology”.

(3) CONFORMING AMENDMENT.—Section 6307(d)(2) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by inserting after subparagraph (B) the following new subparagraph:

“(C) reimbursement of the Internal Revenue Service or other government agencies for the cost of administering the qualified tax collection program under section 6306.”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to tax receivables identified by the Secretary (or the Secretary’s delegate) after December 31, 2019.

(2) MAXIMUM LENGTH OF INSTALLMENT AGREEMENTS.—The amendment made by subsection (c) shall apply to contracts entered into after the date of the enactment of this Act.

(3) USE OF SPECIAL COMPLIANCE PERSONNEL PROGRAM ACCOUNT.—The amendment made by subsection (d) shall apply to amounts expended from the special compliance personnel program account after the date of the enactment of this Act.

**SEC. 1206. REFORM OF NOTICE OF CONTACT OF THIRD PARTIES.**

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

“(1) GENERAL NOTICE.—An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer unless such contact occurs during a period (not greater than 1 year) which is specified in a notice which—

“(A) informs the taxpayer that contacts with persons other than the taxpayer are intended to be made during such period, and

“(B) except as otherwise provided by the Secretary, is provided to the taxpayer not later than 45 days before the beginning of such period.

Nothing in the preceding sentence shall prevent the issuance of notices to the same taxpayer

with respect to the same tax liability with periods specified therein that, in the aggregate, exceed 1 year. A notice shall not be issued under this paragraph unless there is an intent at the time such notice is issued to contact persons other than the taxpayer during the period specified in such notice. The preceding sentence shall not prevent the issuance of a notice if the requirement of such sentence is met on the basis of the assumption that the information sought to be obtained by such contact will not be obtained by other means before such contact.”.

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

**SEC. 1207. MODIFICATION OF AUTHORITY TO ISSUE DESIGNATED SUMMONS.**

(a) IN GENERAL.—Paragraph (1) of section 6503(j) is amended by striking “coordinated examination program” and inserting “coordinated industry case program”.

(b) REQUIREMENTS FOR SUMMONS.—Clause (i) of section 6503(j)(2)(A) is amended to read as follows:

“(i) the issuance of such summons is preceded by a review and written approval of such issuance by the Commissioner of the relevant operating division of the Internal Revenue Service and the Chief Counsel which—

“(I) states facts clearly establishing that the Secretary has made reasonable requests for the information that is the subject of the summons, and

“(II) is attached to such summons.”.

(c) ESTABLISHMENT THAT REASONABLE REQUESTS FOR INFORMATION WERE MADE.—Subsection (j) of section 6503 is amended by adding at the end the following new paragraph:

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

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

**SEC. 1208. LIMITATION ON ACCESS OF NON-INTERNAL REVENUE SERVICE EMPLOYEES TO RETURNS AND RETURN INFORMATION.**

(a) IN GENERAL.—Section 7602 is amended by adding at the end the following new subsection:

“(f) LIMITATION ON ACCESS OF PERSONS OTHER THAN INTERNAL REVENUE SERVICE OFFICERS AND EMPLOYEES.—The Secretary shall not, under the authority of section 6103(n), provide any books, papers, records, or other data obtained pursuant to this section to any person authorized under section 6103(n), except when such person requires such information for the sole purpose of providing expert evaluation and assistance to the Internal Revenue Service. No person other than an officer or employee of the Internal Revenue Service or the Office of Chief Counsel may, on behalf of the Secretary, question a witness under oath whose testimony was obtained pursuant to this section.”.

(b) EFFECTIVE DATE.—The amendment made by this section—

(1) shall take effect on the date of the enactment of this Act, and

(2) shall not fail to apply to a contract in effect under section 6103(n) of the Internal Revenue Code of 1986 merely because such contract was in effect before the date of the enactment of this Act.

**Subtitle D—Organizational Modernization**  
**SEC. 1301. OFFICE OF THE NATIONAL TAXPAYER ADVOCATE.**

(a) TAXPAYER ADVOCATE DIRECTIVES.—

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

“(5) TAXPAYER ADVOCATE DIRECTIVES.—In the case of any Taxpayer Advocate Directive issued

by the National Taxpayer Advocate pursuant to a delegation of authority from the Commissioner of the Internal Revenue Service—

“(A) the Commissioner or a Deputy Commissioner shall modify, rescind, or ensure compliance with such directive not later than 90 days after the issuance of such directive, and

“(B) in the case of any directive which is modified or rescinded by a Deputy Commissioner, the National Taxpayer Advocate may (not later than 90 days after such modification or rescission) appeal to the Commissioner and the Commissioner shall (not later than 90 days after such appeal is made) ensure compliance with such directive as issued by the National Taxpayer Advocate or provide the National Taxpayer Advocate with a detailed description of the reasons for any modification or rescission made or upheld by the Commissioner pursuant to such appeal.”

(2) REPORT TO CERTAIN COMMITTEES OF CONGRESS REGARDING DIRECTIVES.—Section 7803(c)(2)(B)(ii) is amended by redesignating subclauses (VIII) through (XI) as subclauses (IX) through (XII), respectively, and by inserting after subclause (VII) the following new subclause:

“(VIII) identify any Taxpayer Advocate Directive which was not honored by the Internal Revenue Service in a timely manner, as specified under paragraph (5);”

(b) NATIONAL TAXPAYER ADVOCATE ANNUAL REPORTS TO CONGRESS.—

(1) INCLUSION OF MOST SERIOUS TAXPAYER PROBLEMS.—Section 7803(c)(2)(B)(iii) is amended by striking “at least 20 of the” and inserting “the 10”.

(2) COORDINATION WITH TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.—Section 7803(c)(2) is amended by adding at the end the following new subparagraph:

“(E) COORDINATION WITH TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.—Before beginning any research or study, the National Taxpayer Advocate shall coordinate with the Treasury Inspector General for Tax Administration to ensure that the National Taxpayer Advocate does not duplicate any action that the Treasury Inspector General for Tax Administration has already undertaken or has a plan to undertake.”

(3) STATISTICAL SUPPORT.—

(A) IN GENERAL.—Section 6108 is amended by adding at the end the following new subsection:

“(d) STATISTICAL SUPPORT FOR NATIONAL TAXPAYER ADVOCATE.—The Secretary shall, upon request of the National Taxpayer Advocate, provide the National Taxpayer Advocate with statistical support in connection with the preparation by the National Taxpayer Advocate of the annual report described in section 7803(c)(2)(B)(ii). Such statistical support shall include statistical studies, compilations, and the review of information provided by the National Taxpayer Advocate for statistical validity and sound statistical methodology.”

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

“(XII) with respect to any statistical information included in such report, include a statement of whether such statistical information was reviewed or provided by the Secretary under section 6108(d) and, if so, whether the Secretary determined such information to be statistically valid and based on sound statistical methodology.”

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

(c) SALARY OF NATIONAL TAXPAYER ADVOCATE.—Section 7803(c)(1)(B)(i) is amended by

striking “, or, if the Secretary of the Treasury so determines, at a rate fixed under section 9503 of such title”.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) SALARY OF NATIONAL TAXPAYER ADVOCATE.—The amendment made by subsection (c) shall apply to compensation paid to individuals appointed as the National Taxpayer Advocate after the date of the enactment of this Act.

**SEC. 1302. MODERNIZATION OF INTERNAL REVENUE SERVICE ORGANIZATIONAL STRUCTURE.**

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

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

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

(3) streamline the structure of the agency including minimizing the duplication of services and responsibilities within the agency,

(4) best position the Internal Revenue Service to combat cybersecurity and other threats to the Internal Revenue Service, and

(5) address whether the Criminal Investigation Division of the Internal Revenue Service should report directly to the Commissioner.

(b) REPEAL OF RESTRICTION ON ORGANIZATIONAL STRUCTURE OF INTERNAL REVENUE SERVICE.—Paragraph (3) of section 1001(a) of the Internal Revenue Service Restructuring and Reform Act of 1998 shall cease to apply beginning 1 year after the date on which the Commissioner of the Internal Revenue Service submits to Congress the plan described in subsection (a).

**Subtitle E—Other Provisions**

**SEC. 1401. RETURN PREPARATION PROGRAMS FOR APPLICABLE TAXPAYERS.**

(a) IN GENERAL.—Chapter 77 is amended by inserting after section 7526 the following new section:

**“SEC. 7526A. RETURN PREPARATION PROGRAMS FOR APPLICABLE TAXPAYERS.**

“(a) ESTABLISHMENT OF VOLUNTEER INCOME TAX ASSISTANCE MATCHING GRANT PROGRAM.—The Secretary shall establish a Community Volunteer Income Tax Assistance Matching Grant Program under which the Secretary may, subject to the availability of appropriated funds, make grants to provide matching funds for the development, expansion, or continuation of qualified return preparation programs assisting applicable taxpayers and members of underserved populations.

“(b) USE OF FUNDS.—

“(1) IN GENERAL.—Qualified return preparation programs may use grants received under this section for—

“(A) ordinary and necessary costs associated with program operation in accordance with cost principles under the applicable Office of Management and Budget circular, including—

“(i) wages or salaries of persons coordinating the activities of the program,

“(ii) developing training materials, conducting training, and performing quality reviews of the returns prepared under the program,

“(iii) equipment purchases, and

“(iv) vehicle-related expenses associated with remote or rural tax preparation services,

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

“(C) services related to financial education and capability, asset development, and the establishment of savings accounts in connection with tax return preparation.

“(2) REQUIREMENT OF MATCHING FUNDS.—A qualified return preparation program must pro-

vide matching funds on a dollar-for-dollar basis for all grants provided under this section. Matching funds may include—

“(A) the salary (including fringe benefits) of individuals performing services for the program,

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

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

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

“(c) APPLICATION.—

“(1) IN GENERAL.—Each applicant for a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(2) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applications which demonstrate—

“(A) assistance to applicable taxpayers, with emphasis on outreach to, and services for, such taxpayers,

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

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

“(3) AMOUNTS TAKEN INTO ACCOUNT.—In determining matching grants under this section, the Secretary shall only take into account amounts provided by the qualified return preparation program for expenses described in subsection (b).

“(d) PROGRAM ADHERENCE.—

“(1) IN GENERAL.—The Secretary shall establish procedures for, and shall conduct not less frequently than once every 5 calendar years during which a qualified return preparation program is operating under a grant under this section, periodic site visits—

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

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

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

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

“(B) is subsequently determined—

“(i) not to meet the program adherence standards described in paragraph (1)(B), or

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

such program shall not be eligible for any additional grants under this section unless such program provides sufficient documentation of corrective measures established to address any such deficiencies determined.

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

“(1) QUALIFIED RETURN PREPARATION PROGRAM.—The term ‘qualified return preparation program’ means any program—

“(A) which provides assistance to individuals, not less than 90 percent of whom are applicable taxpayers, in preparing and filing Federal income tax returns,

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

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

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

“(2) QUALIFIED ENTITY.—

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

“(i) is an eligible organization,

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

“(iii) is not debarred or suspended from Federal contracts, grants, or cooperative agreements, and

“(iv) agrees to provide documentation to substantiate any matching funds provided pursuant to the grant program under this section.

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

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

“(ii) an organization described in section 501(c) and exempt from tax under section 501(a),

“(iii) a local government agency, including—

“(I) a county or municipal government agency, and

“(II) an Indian tribe, as defined in section 4(13) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(13)), including any tribally designated housing entity (as defined in section 4(22) of such Act (25 U.S.C. 4103(22))), tribal subsidiary, subdivision, or other wholly owned tribal entity,

“(iv) a local, State, regional, or national coalition (with one lead organization which meets the eligibility requirements of clause (i), (ii), or (iii) acting as the applicant organization), or

“(v) in the case of applicable taxpayers and members of underserved populations with respect to which no organizations described in the preceding clauses are available—

“(I) a State government agency, or

“(II) an office providing Cooperative Extension services (as established at the land-grant colleges and universities under the Smith-Lever Act of May 8, 1914).

“(3) APPLICABLE TAXPAYERS.—The term ‘applicable taxpayer’ means a taxpayer whose income for the taxable year does not exceed an amount equal to the completed phaseout amount under section 32(b) for a married couple filing a joint return with three or more qualifying children, as determined in a revenue procedure or other published guidance.

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

“(f) SPECIAL RULES AND LIMITATIONS.—

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

“(2) AGGREGATE LIMITATION.—Unless otherwise provided by specific appropriation, the Secretary shall not allocate more than \$30,000,000 per fiscal year (exclusive of costs of administering the program) to grants under this section.

“(g) PROMOTION OF PROGRAMS.—

“(1) IN GENERAL.—The Secretary shall promote tax preparation through qualified return preparation programs through the use of mass communications and other means.

“(2) PROVISION OF INFORMATION REGARDING QUALIFIED RETURN PREPARATION PROGRAMS.—The Secretary may provide taxpayers information regarding qualified return preparation programs receiving grants under this section.

“(3) VITA GRANTEE REFERRAL.—Qualified return preparation programs receiving a grant under this section are encouraged, in appropriate cases, to—

“(A) advise taxpayers of the availability of, and eligibility requirements for receiving, advice and assistance from qualified low-income taxpayer clinics receiving funding under section 7526, and

“(B) provide information regarding the location of, and contact information for, such clinics.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by inserting

after the item relating to section 7526 the following new item:

“Sec. 7526A. Return preparation programs for applicable taxpayers.”.

**SEC. 1402. PROVISION OF INFORMATION REGARDING LOW-INCOME TAXPAYER CLINICS.**

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

“(6) PROVISION OF INFORMATION REGARDING QUALIFIED LOW-INCOME TAXPAYER CLINICS.—Notwithstanding any other provision of law, officers and employees of the Department of the Treasury may—

“(A) advise taxpayers of the availability of, and eligibility requirements for receiving, advice and assistance from one or more specific qualified low-income taxpayer clinics receiving funding under this section, and

“(B) provide information regarding the location of, and contact information for, such clinics.”.

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

**SEC. 1403. NOTICE FROM IRS REGARDING CLOSURE OF TAXPAYER ASSISTANCE CENTERS.**

Not later than 90 days before the date that a proposed closure of a Taxpayer Assistance Center would take effect, the Secretary of the Treasury (or the Secretary’s delegate) shall—

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

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

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

(2) submit to Congress a written report that includes—

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

(B) the reasons for such proposed closure, and

(C) such other information as the Secretary may determine appropriate.

**SEC. 1404. RULES FOR SEIZURE AND SALE OF PERISHABLE GOODS RESTRICTED TO ONLY PERISHABLE GOODS.**

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

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

**SEC. 1405. WHISTLEBLOWER REFORMS.**

(a) MODIFICATIONS TO DISCLOSURE RULES FOR WHISTLEBLOWERS.—

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

“(13) DISCLOSURE TO WHISTLEBLOWERS.—

“(A) IN GENERAL.—The Secretary may disclose, to any individual providing information relating to any purpose described in paragraph (1) or (2) of section 7623(a), return information related to the investigation of any taxpayer with respect to whom the individual has provided such information, but only to the extent that such disclosure is necessary in obtaining information, which is not otherwise reasonably available, with respect to the correct determination of tax liability for tax, or the amount to be collected with respect to the enforcement of any other provision of this title.

“(B) UPDATES ON WHISTLEBLOWER INVESTIGATIONS.—The Secretary shall disclose to an individual providing information relating to any purpose described in paragraph (1) or (2) of section 7623(a) the following:

“(i) Not later than 60 days after a case for which the individual has provided information

has been referred for an audit or examination, a notice with respect to such referral.

“(ii) Not later than 60 days after a taxpayer with respect to whom the individual has provided information has made a payment of tax with respect to tax liability to which such information relates, a notice with respect to such payment.

“(iii) Subject to such requirements and conditions as are prescribed by the Secretary, upon a written request by such individual—

“(I) information on the status and stage of any investigation or action related to such information, and

“(II) in the case of a determination of the amount of any award under section 7623(b), the reasons for such determination.

Clause (ii) shall not apply to any information if the Secretary determines that disclosure of such information would seriously impair Federal tax administration. Information described in clauses (i), (ii), and (iii) may be disclosed to a designee of the individual providing such information in accordance with guidance provided by the Secretary.”.

(2) CONFORMING AMENDMENTS.—

(A) CONFIDENTIALITY OF INFORMATION.—Section 6103(a)(3) is amended by striking “subsection (k)(10)” and inserting “paragraph (10) or (13) of subsection (k)”.

(B) PENALTY FOR UNAUTHORIZED DISCLOSURE.—Section 7213(a)(2) is amended by striking “(k)(10)” and inserting “(k)(10) or (13)”.

(C) COORDINATION WITH AUTHORITY TO DISCLOSE FOR INVESTIGATIVE PURPOSES.—Section 6103(k)(6) is amended by adding at the end the following new sentence: “This paragraph shall not apply to any disclosure to an individual providing information relating to any purpose described in paragraph (1) or (2) of section 7623(a) which is made under paragraph (13)(A).”.

(b) PROTECTION AGAINST RETALIATION.—Section 7623 is amended by adding at the end the following new subsection:

“(d) CIVIL ACTION TO PROTECT AGAINST RETALIATION CASES.—

“(1) ANTI-RETALIATION WHISTLEBLOWER PROTECTION FOR EMPLOYEES.—No employer, or any officer, employee, contractor, subcontractor, or agent of such employer, may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment (including through an act in the ordinary course of such employee’s duties) in reprisal for any lawful act done by the employee—

“(A) to provide information, cause information to be provided, or otherwise assist in an investigation regarding underpayment of tax or any conduct which the employee reasonably believes constitutes a violation of the internal revenue laws or any provision of Federal law relating to tax fraud, when the information or assistance is provided to the Internal Revenue Service, the Secretary of Treasury, the Treasury Inspector General for Tax Administration, the Comptroller General of the United States, the Department of Justice, the United States Congress, a person with supervisory authority over the employee, or any other person working for the employer who has the authority to investigate, discover, or terminate misconduct, or

“(B) to testify, participate in, or otherwise assist in any administrative or judicial action taken by the Internal Revenue Service relating to an alleged underpayment of tax or any violation of the internal revenue laws or any provision of Federal law relating to tax fraud.

“(2) ENFORCEMENT ACTION.—

“(A) IN GENERAL.—A person who alleges discharge or other reprisal by any person in violation of paragraph (1) may seek relief under paragraph (3) by—

“(i) filing a complaint with the Secretary of Labor, or

“(ii) if the Secretary of Labor has not issued a final decision within 180 days of the filing of

the complaint and there is no showing that such delay is due to the bad faith of the claimant, bringing an action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy.

“(B) PROCEDURE.—

“(i) IN GENERAL.—An action under subparagraph (A)(i) shall be governed under the rules and procedures set forth in section 42121(b) of title 49, United States Code.

“(ii) EXCEPTION.—Notification made under section 42121(b)(1) of title 49, United States Code, shall be made to the person named in the complaint and to the employer.

“(iii) BURDENS OF PROOF.—An action brought under subparagraph (A)(ii) shall be governed by the legal burdens of proof set forth in section 42121(b) of title 49, United States Code, except that in applying such section—

“(I) behavior described in paragraph (1) shall be substituted for behavior described in paragraphs (1) through (4) of subsection (a) each place it appears in paragraph (2)(B) thereof, and

“(II) ‘a violation of paragraph (1)’ shall be substituted for ‘a violation of subsection (a)’ each place it appears.

“(iv) STATUTE OF LIMITATIONS.—A complaint under subparagraph (A)(i) shall be filed not later than 180 days after the date on which the violation occurs.

“(v) JURY TRIAL.—A party to an action brought under subparagraph (A)(ii) shall be entitled to trial by jury.

“(3) REMEDIES.—

“(A) IN GENERAL.—An employee prevailing in any action under paragraph (2)(A) shall be entitled to all relief necessary to make the employee whole.

“(B) COMPENSATORY DAMAGES.—Relief from any action under subparagraph (A) shall include—

“(i) reinstatement with the same seniority status that the employee would have had, but for the reprisal,

“(ii) the sum of 200 percent of the amount of back pay and 100 percent of all lost benefits, with interest, and

“(iii) compensation for any special damages sustained as a result of the reprisal, including litigation costs, expert witness fees, and reasonable attorney fees.

“(4) RIGHTS RETAINED BY EMPLOYEE.—Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any employee under any Federal or State law, or under any collective bargaining agreement.

“(5) NONENFORCEABILITY OF CERTAIN PROVISIONS WAIVING RIGHTS AND REMEDIES OR REQUIRING ARBITRATION OF DISPUTES.—

“(A) WAIVER OF RIGHTS AND REMEDIES.—The rights and remedies provided for in this subsection may not be waived by any agreement, policy form, or condition of employment, including by a predispute arbitration agreement.

“(B) PREDISPUTE ARBITRATION AGREEMENTS.—No predispute arbitration agreement shall be valid or enforceable, if the agreement requires arbitration of a dispute arising under this subsection.”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to disclosures made after the date of the enactment of this Act.

(2) CIVIL PROTECTION.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

**SEC. 1406. CUSTOMER SERVICE INFORMATION.**

The Secretary of the Treasury (or the Secretary's delegate) shall provide helpful information to taxpayers placed on hold during a telephone call to any Internal Revenue Service help line, including the following:

(1) Information about common tax scams.

(2) Information on where and how to report tax scams.

(3) Additional advice on how taxpayers can protect themselves from identity theft and tax scams.

**SEC. 1407. MISDIRECTED TAX REFUND DEPOSITS.**

Section 6402 is amended by adding at the end the following new subsection:

“(n) MISDIRECTED DIRECT DEPOSIT REFUND.—Not later than the date which is 6 month after the date of the enactment of the Taxpayer First Act of 2018, the Secretary shall prescribe regulations to establish procedures to allow for—

“(1) taxpayers to report instances in which a refund made by the Secretary by electronic funds transfer was erroneously delivered to an account at a financial institution for which the taxpayer is not the owner;

“(2) coordination with financial institutions for the purpose of—

“(A) identifying erroneous payments described in paragraph (1); and

“(B) recovery of the erroneously transferred amounts; and

“(3) the refund to be delivered to the correct account of the taxpayer.”.

**TITLE II—21ST CENTURY IRS**

**Subtitle A—Cybersecurity and Identity Protection**

**SEC. 2001. PUBLIC-PRIVATE PARTNERSHIP TO ADDRESS IDENTITY THEFT REFUND FRAUD.**

The Secretary of the Treasury (or the Secretary's delegate) shall work collaboratively with the public and private sectors to protect taxpayers from identity theft refund fraud.

**SEC. 2002. RECOMMENDATIONS OF ELECTRONIC TAX ADMINISTRATION ADVISORY COMMITTEE REGARDING IDENTITY THEFT REFUND FRAUD.**

The Secretary of the Treasury shall ensure that the advisory group convened by the Secretary pursuant to section 2001(b)(2) of the Internal Revenue Service Restructuring and Reform Act of 1998 (commonly known as the Electronic Tax Administration Advisory Committee) studies (including by providing organized public forums) and makes recommendations to the Secretary regarding methods to prevent identity theft and refund fraud.

**SEC. 2003. INFORMATION SHARING AND ANALYSIS CENTER.**

(a) IN GENERAL.—The Secretary of the Treasury (or the Secretary's delegate) may participate in an information sharing and analysis center to centralize, standardize, and enhance data compilation and analysis to facilitate sharing actionable data and information with respect to identity theft tax refund fraud.

(b) DEVELOPMENT OF PERFORMANCE METRICS.—The Secretary of the Treasury (or the Secretary's delegate) shall develop metrics for measuring the success of such center in detecting and preventing identity theft tax refund fraud.

(c) DISCLOSURE.—

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

“(14) DISCLOSURE OF RETURN INFORMATION FOR PURPOSES OF CYBERSECURITY AND THE PREVENTION OF IDENTITY THEFT TAX REFUND FRAUD.—

“(A) IN GENERAL.—Under such procedures and subject to such conditions as the Secretary may prescribe, the Secretary may disclose specified return information to specified ISAC participants to the extent that the Secretary determines such disclosure is in furtherance of effective Federal tax administration relating to the detection or prevention of identity theft tax refund fraud, validation of taxpayer identity, authentication of taxpayer returns, or detection or prevention of cybersecurity threats.

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

“(i) IN GENERAL.—The term ‘specified ISAC participant’ means—

“(I) any person designated by the Secretary as having primary responsibility for a function

performed with respect to the information sharing and analysis center described in section 2003(a) of the Taxpayer First Act of 2018, and

“(II) any person subject to the requirements of section 7216 and which is a participant in such information sharing and analysis center.

“(ii) INFORMATION SHARING AGREEMENT.—Such term shall not include any person unless such person has entered into a written agreement with the Secretary setting forth the terms and conditions for the disclosure of information to such person under this paragraph, including requirements regarding the protection and safeguarding of such information by such person.

“(C) SPECIFIED RETURN INFORMATION.—For purposes of this paragraph, the term ‘specified return information’ means—

“(i) in the case of a return which is in connection with a case of potential identity theft refund fraud—

“(I) in the case of such return filed electronically, the internet protocol address, device identification, email domain name, speed of completion, method of authentication, refund method, and such other return information related to the electronic filing characteristics of such return as the Secretary may identify for purposes of this subclause, and

“(II) in the case of such return prepared by a tax return preparer, identifying information with respect to such tax return preparer, including the preparer taxpayer identification number and electronic filer identification number of such preparer,

“(ii) in the case of a return which is in connection with a case of a identity theft refund fraud which has been confirmed by the Secretary (pursuant to such procedures as the Secretary may provide), the information referred to in subclauses (I) and (II) of clause (i), the name and taxpayer identification number of the taxpayer as it appears on the return, and any bank account and routing information provided for making a refund in connection with such return, and

“(iii) in the case of any cybersecurity threat to the Internal Revenue Service, information similar to the information described in subclauses (I) and (II) of clause (i) with respect to such threat.

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

“(i) DESIGNATED THIRD PARTIES.—Any return information received by a person described in subparagraph (B)(i)(I) shall be used only for the purposes of and to the extent necessary in—

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

“(II) facilitating disclosures authorized under subparagraph (A) to persons described in subparagraph (B)(i)(II), and

“(III) facilitating disclosures authorized under subsection (d) to participants in such information sharing and analysis center.

“(ii) RETURN PREPARERS.—Any return information received by a person described in subparagraph (B)(i)(II) shall be treated for purposes of section 7216 as information furnished to such person for, or in connection with, the preparation of a return of the tax imposed under chapter 1.

“(E) DATA PROTECTION AND SAFEGUARDS.—Return information disclosed under this paragraph shall be subject to such protections and safeguards as the Secretary may require in regulations or other guidance or in the written agreement referred to in subparagraph (B)(ii). Such written agreement shall include a requirement that any unauthorized access to information disclosed under this paragraph, and any breach of any system in which such information is held, be reported to the Treasury Inspector General for Tax Administration.”.

(2) APPLICATION OF CIVIL AND CRIMINAL PENALTIES.—

(A) Section 6103(a)(3), as amended by this Act, is amended by striking “or (13)” and inserting “(13), or (14)”.

(B) Section 7213(a)(2), as amended by this Act, is amended by striking “or (13)” and inserting “(13), or (14)”.

**SEC. 2004. COMPLIANCE BY CONTRACTORS WITH CONFIDENTIALITY SAFEGUARDS.**

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

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

“(A) has requirements in effect which require each such contractor or other agent which would have access to returns or return information to provide safeguards (within the meaning of paragraph (4)) to protect the confidentiality of such returns or return information,

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

“(C) submits the findings of the most recent review conducted under subparagraph (B) to the Secretary as part of the report required by paragraph (4)(E), and

“(D) certifies to the Secretary for the most recent annual period that such contractor or other agent is in compliance with all such requirements.

The certification required by subparagraph (D) shall include the name and address of each contractor or other agent, a description of the contract or agreement with such contractor or other agent, and the duration of such contract or agreement. The requirements of this paragraph shall not apply to disclosures pursuant to subsection (n) for purposes of Federal tax administration.”

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

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after December 31, 2022.

**SEC. 2005. REPORT ON ELECTRONIC PAYMENTS.**

Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary’s delegate), in coordination with the Bureau of Fiscal Service and the Internal Revenue Service, and in consultation with private sector financial institutions, shall submit a written report to Congress describing how the government can utilize new payment platforms to increase the number of tax refunds paid by electronic funds transfer. Such report shall weigh the interests of reducing identity theft tax refund fraud, reducing the Federal Government’s costs in delivering tax refunds, the costs and any associated fees charged to taxpayers (including monthly and point-of-service fees) to access their tax refunds, the impact on individuals who do not have access to financial accounts or institutions, and ensuring payments are made to accounts at a financial institution that complies with section 21 of the Federal Deposit Insurance Act, chapter 2 of title I of Public Law 91–508, and chapter II of chapter 53 of title 31, United States Code (commonly referred to collectively as the “Bank Secrecy Act”) and the USA PATRIOT Act. Such report shall include any legislative recommendations necessary to accomplish these goals.

**SEC. 2006. IDENTITY PROTECTION PERSONAL IDENTIFICATION NUMBERS.**

(a) IN GENERAL.—Subject to subsection (b), the Secretary of the Treasury or the Secretary’s delegate (hereafter referred to in this section as the “Secretary”) shall establish a program to issue, upon the request of any individual, a number which may be used in connection with such individual’s social security number (or other identifying information with respect to

such individual as determined by the Secretary) to assist the Secretary in verifying such individual’s identity.

(b) REQUIREMENTS.—

(1) ANNUAL EXPANSION.—For each calendar year beginning after the date of the enactment of this Act, the Secretary shall provide numbers through the program described in subsection (a) to individuals residing in such States as the Secretary deems appropriate, provided that the total number of States served by such program during such year is greater than the total number of States served by such program during the preceding year.

(2) NATIONWIDE AVAILABILITY.—Not later than 5 years after the date of the enactment of this Act, the Secretary shall ensure that the program described in subsection (a) is made available to any individual residing in the United States.

**SEC. 2007. SINGLE POINT OF CONTACT FOR TAX-RELATED IDENTITY THEFT VICTIMS.**

(a) IN GENERAL.—The Secretary of the Treasury (or the Secretary’s delegate) shall establish and implement procedures to ensure that any taxpayer whose return has been delayed or otherwise adversely affected due to tax-related identity theft has a single point of contact at the Internal Revenue Service throughout the processing of the taxpayer’s case. The single point of contact shall track the taxpayer’s case to completion and coordinate with other Internal Revenue Service employees to resolve case issues as quickly as possible.

(b) SINGLE POINT OF CONTACT.—

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

(A) have the ability to work across functions to resolve the issues involved in the taxpayer’s case; and

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

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

(A) ensure continuity of records and case history; and

(B) notify the taxpayer when appropriate.

**SEC. 2008. NOTIFICATION OF SUSPECTED IDENTITY THEFT.**

(a) IN GENERAL.—Chapter 77 is amended by adding at the end the following new section:

**“SEC. 7529. NOTIFICATION OF SUSPECTED IDENTITY THEFT.**

“(a) IN GENERAL.—If the Secretary determines that there has been or may have been an unauthorized use of the identity of any individual, the Secretary shall, without jeopardizing an investigation relating to tax administration—

“(1) as soon as practicable, notify the individual of such determination and provide—

“(A) instructions on how to file a report with law enforcement regarding the unauthorized use of the identity of the individual,

“(B) the identification of any forms necessary for the individual to complete and submit to law enforcement to permit access to personal information of the individual during the investigation,

“(C) information regarding actions the individual may take in order to protect the individual from harm relating to such unauthorized use, and

“(D) an offer of identity protection measures to be provided to the individual by the Internal Revenue Service, such as the use of an identity protection personal identification number, and

“(2) at the time the information described in paragraph (1) is provided (or, if not available at such time, as soon as practicable thereafter), issue additional notifications to such individual (or such individual’s designee) regarding—

“(A) whether an investigation has been initiated in regards to such unauthorized use,

“(B) whether the investigation substantiated an unauthorized use of the identity of the individual, and

“(C) whether—

“(i) any action has been taken against a person relating to such unauthorized use, or

“(ii) any referral has been made for criminal prosecution of such person and, to the extent such information is available, whether such person has been criminally charged by indictment or information.

(b) EMPLOYMENT-RELATED IDENTITY THEFT.—

(1) IN GENERAL.—For purposes of this section, the unauthorized use of the identity of an individual includes the unauthorized use of the identity of the individual to obtain employment.

(2) DETERMINATION OF EMPLOYMENT-RELATED IDENTITY THEFT.—For purposes of this section, in making a determination as to whether there has been or may have been an unauthorized use of the identity of an individual to obtain employment, the Secretary shall review any information—

“(A) obtained from a statement described in section 6051 or an information return relating to compensation for services rendered other than as an employee, or

“(B) provided to the Internal Revenue Service by the Social Security Administration regarding any statement described in section 6051,

which indicates that the social security account number provided on such statement or information return does not correspond with the name provided on such statement or information return or the name on the tax return reporting the income which is included on such statement or information return.”

(b) ADDITIONAL MEASURES.—

(1) EXAMINATION OF BOTH PAPER AND ELECTRONIC STATEMENTS AND RETURNS.—The Secretary of the Treasury (or the Secretary’s delegate) shall examine the statements, information returns, and tax returns described in section 7529(b)(2) of the Internal Revenue Code of 1986 (as added by subsection (a)) for any evidence of employment-related identity theft, regardless of whether such statements or returns are submitted electronically or on paper.

(2) IMPROVEMENT OF EFFECTIVE RETURN PROCESSING PROGRAM WITH SOCIAL SECURITY ADMINISTRATION.—Section 232 of the Social Security Act (42 U.S.C. 432) is amended by inserting after the third sentence the following: “For purposes of carrying out the return processing program described in the preceding sentence, the Commissioner of Social Security shall request, not less than annually, such information described in section 7529(b)(2) of the Internal Revenue Code of 1986 as may be necessary to ensure the accuracy of the records maintained by the Commissioner of Social Security related to the amounts of wages paid to, and the amounts of self-employment income derived by, individuals.”

(3) UNDERREPORTING OF INCOME.—The Secretary (or the Secretary’s delegate) shall establish procedures to ensure that income reported in connection with the unauthorized use of a taxpayer’s identity is not taken into account in determining any penalty for underreporting of income by the victim of identity theft.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following new item:

“Sec. 7529. Notification of suspected identity theft.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to determinations made after the date that is 6 months after the date of the enactment of this Act.

**SEC. 2009. GUIDELINES FOR STOLEN IDENTITY REFUND FRAUD CASES.**

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary (or the Secretary’s delegate), in consultation with the National Taxpayer Advocate, shall develop and implement publicly available guidelines for management of cases involving stolen

identity refund fraud in a manner that reduces the administrative burden on taxpayers who are victims of such fraud.

(b) **STANDARDS AND PROCEDURES TO BE CONSIDERED.**—The guidelines described in subsection (a) may include—

(1) standards for—

(A) the average length of time in which a case involving stolen identity refund fraud should be resolved;

(B) the maximum length of time, on average, a taxpayer who is a victim of stolen identity refund fraud and is entitled to a tax refund which has been stolen should have to wait to receive such refund; and

(C) the maximum number of offices and employees within the Internal Revenue Service with whom a taxpayer who is a victim of stolen identity refund fraud should be required to interact in order to resolve a case;

(2) standards for opening, assigning, reassigning, or closing a case involving stolen identity refund fraud; and

(3) procedures for implementing and accomplishing the standards described in paragraphs (1) and (2), and measures for evaluating such procedures and determining whether such standards have been successfully implemented.

**SEC. 2010. INCREASED PENALTY FOR IMPROPER DISCLOSURE OR USE OF INFORMATION BY PREPARERS OF RETURNS.**

(a) **IN GENERAL.**—Section 6713 is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following new subsection:

“(b) **ENHANCED PENALTY FOR IMPROPER USE OR DISCLOSURE RELATING TO IDENTITY THEFT.**—

“(1) **IN GENERAL.**—In the case of a disclosure or use described in subsection (a) that is made in connection with a crime relating to the misappropriation of another person’s taxpayer identity (as defined in section 6103(b)(6)), whether or not such crime involves any tax filing, subsection (a) shall be applied—

“(A) by substituting ‘\$1,000’ for ‘\$250’, and

“(B) by substituting ‘\$50,000’ for ‘\$10,000’.

“(2) **SEPARATE APPLICATION OF TOTAL PENALTY LIMITATION.**—The limitation on the total amount of the penalty under subsection (a) shall be applied separately with respect to disclosures or uses to which this subsection applies and to which it does not apply.”.

(b) **CRIMINAL PENALTY.**—Section 7216(a) is amended by striking “\$1,000” and inserting “\$1,000 (\$100,000 in the case of a disclosure or use to which section 6713(b) applies)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to disclosures or uses on or after the date of the enactment of this Act.

**Subtitle B—Development of Information Technology**

**SEC. 2101. MANAGEMENT OF INTERNAL REVENUE SERVICE INFORMATION TECHNOLOGY.**

(a) **DUTIES AND RESPONSIBILITIES OF INTERNAL REVENUE SERVICE CHIEF INFORMATION OFFICER.**—Section 7803, as amended by section 1001, is amended by adding at the end the following new subsection:

“(f) **INTERNAL REVENUE SERVICE CHIEF INFORMATION OFFICER.**—

“(1) **IN GENERAL.**—There shall be in the Internal Revenue Service an Internal Revenue Service Chief Information Officer (hereafter referred to in this subsection as the ‘IRS CIO’) who shall be appointed by the Commissioner of the Internal Revenue Service.

“(2) **CENTRALIZED RESPONSIBILITY FOR INTERNAL REVENUE SERVICE INFORMATION TECHNOLOGY.**—The Commissioner of the Internal Revenue Service (and the Secretary) shall act through the IRS CIO with respect to all development, implementation, and maintenance of information technology for the Internal Revenue Service. Any reference in this subsection to the IRS CIO which directs the IRS CIO to take any

action, or to assume any responsibility, shall be treated as a reference to the Commissioner of the Internal Revenue Service acting through the IRS CIO.

“(3) **GENERAL DUTIES AND RESPONSIBILITIES.**—The IRS CIO shall—

“(A) be responsible for the development, implementation, and maintenance of information technology for the Internal Revenue Service,

“(B) ensure that the information technology of the Internal Revenue Service is secure and integrated,

“(C) maintain operational control of all information technology for the Internal Revenue Service,

“(D) be the principal advocate for the information technology needs of the Internal Revenue Service, and

“(E) consult with the Chief Procurement Officer of the Internal Revenue Service to ensure that the information technology acquired for the Internal Revenue Service is consistent with—

“(i) the goals and requirements specified in subparagraphs (A) through (D), and

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

“(4) **STRATEGIC PLAN.**—

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

“(i) include performance measurements of such technology and of the implementation of such plan,

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

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

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

“(v) align with the needs and strategic plan of the Internal Revenue Service.

“(B) **PLAN UPDATES.**—The IRS CIO shall, not less frequently than annually, review and update the strategic plan under subparagraph (A) (including the plan for an integrated enterprise architecture described in subparagraph (A)(ii)) to take into account the development of new information technology and the needs of the Internal Revenue Service.

“(5) **SCOPE OF AUTHORITY.**—

“(A) **INFORMATION TECHNOLOGY.**—For purposes of this subsection, the term ‘information technology’ has the meaning given such term by section 11101 of title 40, United States Code.

“(B) **INTERNAL REVENUE SERVICE.**—Any reference in this subsection to the Internal Revenue Service includes a reference to all components of the Internal Revenue Service, including—

“(i) the Office of the Taxpayer Advocate,

“(ii) the Criminal Investigation Division of the Internal Revenue Service, and

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

(b) **INDEPENDENT VERIFICATION AND VALIDATION OF THE CUSTOMER ACCOUNT DATA ENGINE 2 AND ENTERPRISE CASE MANAGEMENT SYSTEM.**—

(1) **IN GENERAL.**—The Commissioner of the Internal Revenue Service shall enter into a contract with an independent reviewer to verify and validate the implementation plans (including the performance milestones and cost estimates included in such plans) developed for the Customer Account Data Engine 2 and the Enterprise Case Management System.

(2) **DEADLINE FOR COMPLETION.**—Such contract shall require that such verification and validation be completed not later than the date which is 1 year after the date of the enactment of this Act.

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

(A) **IN GENERAL.**—Paragraphs (1) and (2) shall not apply to phase 1 of the Customer Account Data Engine 2 and shall apply separately to each other phase.

(B) **DEADLINE FOR COMPLETING PLANS.**—Not later than 1 year after the date of the enactment of this Act, the Commissioner of the Internal Revenue Service shall complete the development of plans for all phases of the Customer Account Data Engine 2.

(C) **DEADLINE FOR COMPLETION OF VERIFICATION AND VALIDATION OF PLANS.**—In the case of any phase after phase 2 of the Customer Account Data Engine 2, paragraph (2) shall be applied by substituting “the date on which the plan for such phase was completed” for “the date of the enactment of this Act”.

(c) **COORDINATION OF IRS CIO AND CHIEF PROCUREMENT OFFICER OF THE INTERNAL REVENUE SERVICE.**—

(1) **IN GENERAL.**—The Chief Procurement Officer of the Internal Revenue Service shall—

(A) identify all significant IRS information technology acquisitions and provide written notification to the Internal Revenue Service Chief Information Officer (hereafter referred to in this subsection as the “IRS CIO”) of each such acquisition in advance of such acquisition, and

(B) regularly consult with the IRS CIO regarding acquisitions of information technology for the Internal Revenue Service, including meeting with the IRS CIO regarding such acquisitions upon request.

(2) **SIGNIFICANT IRS INFORMATION TECHNOLOGY ACQUISITIONS.**—For purposes of this subsection, the term “significant IRS information technology acquisitions” means—

(A) any acquisition of information technology for the Internal Revenue Service in excess of \$1,000,000, and

(B) such other acquisitions of information technology for the Internal Revenue Service (or categories of such acquisitions) as the IRS CIO, in consultation with the Chief Procurement Officer of the Internal Revenue Service, may identify.

(3) **SCOPE.**—Terms used in this subsection which are also used in section 7803(f) of the Internal Revenue Code of 1986 (as amended by subsection (a)) shall have the same meaning as when used in such section.

**SEC. 2102. DEVELOPMENT OF ONLINE ACCOUNTS AND PORTALS.**

(a) **IN GENERAL.**—The Secretary of the Treasury or the Secretary’s delegate (hereafter referred to in this section as the “Secretary”) shall—

(1) develop secure individualized online accounts to provide services to taxpayers and their designated return preparers, including obtaining taxpayer information, making payment of taxes, sharing documentation, and (to the extent feasible) addressing and correcting issues, and

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

(b) **ELECTRONIC SERVICES TREATED AS SUPPLEMENTAL; APPLICATION OF SECURITY STANDARDS.**—The Secretary shall ensure that the processes described in subsection (a)—

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

(2) comply with applicable security standards and guidelines.

(c) **PROCESS FOR DEVELOPING ONLINE ACCOUNTS.**—

(1) **DEVELOPMENT OF PLAN.**—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to Congress a written report describing the Secretary’s plan for developing the secure individualized online accounts described in subsection (a)(1). Such plan shall address the feasibility of taxpayers addressing and correcting issues through such accounts

and whether access to such accounts should be restricted and in what manner.

(2) **DEADLINE.**—The Secretary shall make every reasonable effort to make the secure individualized online accounts described in subsection (a)(1) available to taxpayers by December 31, 2023.

**SEC. 2103. INTERNET PLATFORM FOR FORM 1099 FILINGS.**

(a) **IN GENERAL.**—Not later than January 1, 2023, the Secretary of the Treasury or the Secretary's delegate (hereafter referred to in this section as the "Secretary") shall make available an Internet website or other electronic media, with a user interface and functionality similar to the Business Services Online Suite of Services provided by the Social Security Administration, that will provide access to resources and guidance provided by the Internal Revenue Service and will allow persons to—

- (1) prepare and file Forms 1099,
- (2) prepare Forms 1099 for distribution to recipients other than the Internal Revenue Service, and
- (3) maintain a record of completed and submitted Forms 1099.

(b) **ELECTRONIC SERVICES TREATED AS SUPPLEMENTAL; APPLICATION OF SECURITY STANDARDS.**—The Secretary shall ensure that the services described in subsection (a)—

- (1) are a supplement to, and not a replacement for, other services provided by the Internal Revenue Service to taxpayers, and
- (2) comply with applicable security standards and guidelines.

**SEC. 2104. STREAMLINED CRITICAL PAY AUTHORITY FOR INFORMATION TECHNOLOGY POSITIONS.**

(a) **IN GENERAL.**—Subchapter A of chapter 80 is amended by adding at the end the following new section:

**"SEC. 7812. STREAMLINED CRITICAL PAY AUTHORITY FOR INFORMATION TECHNOLOGY POSITIONS.**

"In the case of any position which is critical to the functionality of the information technology operations of the Internal Revenue Service—

"(1) section 9503 of title 5, United States Code, shall be applied—

"(A) by substituting 'during the period beginning on the date of the enactment of section 7812 of the Internal Revenue Code of 1986, and ending on September 30, 2023' for 'Before September 30, 2013 in subsection (a)',

"(B) without regard to subparagraph (B) of subsection (a)(1), and

"(C) by substituting 'the date of the enactment of the Taxpayer First Act of 2018' for 'June 1, 1998' in subsection (a)(6),

"(2) section 9504 of such title 5 shall be applied by substituting 'During the period beginning on the date of the enactment of section 7812 of the Internal Revenue Code of 1986, and ending on September 30, 2023' for 'Before September 30, 2013' each place it appears in subsections (a) and (b), and

"(3) section 9505 of such title shall be applied—

"(A) by substituting 'During the period beginning on the date of the enactment of section 7812 of the Internal Revenue Code of 1986, and ending on September 30, 2023' for 'Before September 30, 2013' in subsection (a), and

"(B) by substituting 'the information technology operations' for 'significant functions' in subsection (a)."

(b) **CLERICAL AMENDMENT.**—The table of sections for subchapter A of chapter 80 is amended by adding at the end the following new item:

"Sec. 7812. Streamlined critical pay authority for information technology positions."

**Subtitle C—Modernization of Consent-based Income Verification System**

**SEC. 2201. DISCLOSURE OF TAXPAYER INFORMATION FOR THIRD-PARTY INCOME VERIFICATION.**

(a) **IN GENERAL.**—Not later than 1 year after the close of the 2-year period described in subsection (d)(1), the Secretary of the Treasury or the Secretary's delegate (hereafter referred to in this section as the "Secretary") shall implement a program to ensure that any qualified disclosure—

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

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

(b) **QUALIFIED DISCLOSURE.**—For purposes of this section, the term "qualified disclosure" means a disclosure under section 6103(c) of the Internal Revenue Code of 1986 of returns or return information by the Secretary to a person seeking to verify the income or creditworthiness of a taxpayer who is a borrower in the process of a loan application.

(c) **APPLICATION OF SECURITY STANDARDS.**—The Secretary shall ensure that the program described in subsection (a) complies with applicable security standards and guidelines.

(d) **USER FEE.**—

(1) **IN GENERAL.**—During the 2-year period beginning on the first day of the 6th calendar month beginning after the date of the enactment of this Act, the Secretary shall assess and collect a fee for qualified disclosures (in addition to any other fee assessed and collected for such disclosures) at such rates as the Secretary determines are sufficient to cover the costs related to implementing the program described in subsection (a), including the costs of any necessary infrastructure or technology.

(2) **DEPOSIT OF COLLECTIONS.**—Amounts received from fees assessed and collected under paragraph (1) shall be deposited in, and credited to, an account solely for the purpose of carrying out the activities described in subsection (a). Such amounts shall be available to carry out such activities without need of further appropriation and without fiscal year limitation.

**SEC. 2202. LIMIT REDISCLUSURES AND USES OF CONSENT-BASED DISCLOSURES OF TAX RETURN INFORMATION.**

(a) **IN GENERAL.**—Section 6103(c) is amended by adding at the end the following: "Persons designated by the taxpayer under this subsection to receive return information shall not use the information for any purpose other than the express purpose for which consent was granted and shall not disclose return information to any other person without the express permission of, or request by, the taxpayer."

(b) **APPLICATION OF PENALTIES.**—Section 6103(a)(3) is amended by inserting "subsection (c)," after "return information under".

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

**Subtitle D—Expanded Use of Electronic Systems**

**SEC. 2301. ELECTRONIC FILING OF RETURNS.**

(a) **IN GENERAL.**—Section 6011(e)(2)(A) is amended by striking "250" and inserting "the applicable number of".

(b) **APPLICABLE NUMBER.**—Section 6011(e) is amended by striking paragraph (5) and inserting the following new paragraphs:

"(5) **APPLICABLE NUMBER.**—

"(A) **IN GENERAL.**—For purposes of paragraph (2)(A), the applicable number shall be—

"(i) except as provided in subparagraph (B), in the case of calendar years before 2020, 250,

"(ii) in the case of calendar year 2020, 100, and

"(iii) in the case of calendar years after 2020, 10.

"(B) **SPECIAL RULE FOR PARTNERSHIPS FOR 2018 AND 2019.**—In the case of a partnership, for any calendar year before 2020, the applicable number shall be—

"(i) in the case of calendar year 2018, 200, and

"(ii) in the case of calendar year 2019, 150.

"(6) **PARTNERSHIPS REQUIRED TO FILE ON MAGNETIC MEDIA.**—Notwithstanding paragraph (2)(A), the Secretary shall require partnerships having more than 100 partners to file returns on magnetic media."

(c) **RETURNS FILED BY A TAX RETURN PREPARER.**—Section 6011(e)(3) is amended by adding at the end the following new subparagraph:

"(D) **EXCEPTION FOR CERTAIN PREPARERS LOCATED IN AREAS WITHOUT INTERNET ACCESS.**—The Secretary may waive the requirement of subparagraph (A) if the Secretary determines, on the basis of an application by the tax return preparer, that the preparer cannot meet such requirement by reason of being located in a geographic area which does not have access to internet service (other than dial-up or satellite service)."

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

**SEC. 2302. UNIFORM STANDARDS FOR THE USE OF ELECTRONIC SIGNATURES FOR DISCLOSURE AUTHORIZATIONS TO, AND OTHER AUTHORIZATIONS OF, PRACTITIONERS.**

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

"(3) **PUBLISHED GUIDANCE.**—

"(A) **IN GENERAL.**—The Secretary shall publish guidance as appropriate to define and implement any waiver of the signature requirements or any method adopted under paragraph (1).

"(B) **ELECTRONIC SIGNATURES FOR DISCLOSURE AUTHORIZATIONS TO, AND OTHER AUTHORIZATIONS OF, PRACTITIONERS.**—Not later than 6 months after the date of the enactment of this subparagraph, the Secretary shall publish guidance to establish uniform standards and procedures for the acceptance of taxpayers' signatures appearing in electronic form with respect to any request for disclosure of a taxpayer's return or return information under section 6103(c) to a practitioner or any power of attorney granted by a taxpayer to a practitioner.

"(C) **PRACTITIONER.**—For purposes of subparagraph (B), the term "practitioner" means any individual in good standing who is regulated under section 330 of title 31, United States Code."

**SEC. 2303. PAYMENT OF TAXES BY DEBIT AND CREDIT CARDS.**

Section 6311(d)(2) is amended by adding at the end the following: "The preceding sentence shall not apply to the extent that the Secretary ensures that any such fee or other consideration is fully recouped by the Secretary in the form of fees paid to the Secretary by persons paying taxes imposed under subtitle A with credit, debit, or charge cards pursuant to such contract. Notwithstanding the preceding sentence, the Secretary shall seek to minimize the amount of any fee or other consideration that the Secretary pays under any such contract."

**SEC. 2304. REQUIREMENT THAT ELECTRONICALLY PREPARED PAPER RETURNS INCLUDE SCANNABLE CODE.**

(a) **IN GENERAL.**—Subsection (e) of section 6011, as amended by this Act, is amended by adding at the end the following new paragraph:

"(7) **SPECIAL RULE FOR RETURNS PREPARED ELECTRONICALLY AND SUBMITTED ON PAPER.**—The Secretary shall require that any return of tax which is prepared electronically, but is printed and filed on paper, bear a code which can, when scanned, convert such return to electronic format."

(b) **CONFORMING AMENDMENT.**—Paragraph (1) of section 6011(e) is amended by striking "paragraph (3)" and inserting "paragraphs (3) and (7)".

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to returns of tax the due date for which (determined without regard to extensions) is after December 31, 2020.

**SEC. 2305. AUTHENTICATION OF USERS OF ELECTRONIC SERVICES ACCOUNTS.**

Beginning 180 days after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary's delegate) shall verify the identity of any individual opening an e-Services account with the Internal Revenue Service before such individual is able to use the e-Services tools.

**Subtitle E—Other Provisions****SEC. 2401. REPEAL OF PROVISION REGARDING CERTAIN TAX COMPLIANCE PROCEDURES AND REPORTS.**

Section 2004 of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 6012 note) is repealed.

**SEC. 2402. COMPREHENSIVE TRAINING STRATEGY.**

Not later than 1 year after the date of the enactment of this Act, the Commissioner of Internal Revenue shall submit to Congress a written report providing a comprehensive training strategy for employees of the Internal Revenue Service, including—

(1) a plan to streamline current training processes, including an assessment of the utility of further consolidating internal training programs, technology, and funding,

(2) a plan to develop annual training regarding taxpayer rights, including the role of the Office of the Taxpayer Advocate, for employees that interface with taxpayers and their managers,

(3) a plan to improve technology-based training,

(4) proposals to—

(A) focus employee training on early, fair, and efficient resolution of taxpayer disputes for employees that interface with taxpayers and their managers, and

(B) ensure consistency of skill development and employee evaluation throughout the Internal Revenue Service, and

(5) a thorough assessment of the funding necessary to implement such strategy.

**TITLE III—MISCELLANEOUS PROVISIONS****Subtitle A—Reform of Laws Governing Internal Revenue Service Employees****SEC. 3001. ELECTRONIC RECORD RETENTION.****(A) RETENTION OF RECORDS.—**

(1) IN GENERAL.—Email records of the Internal Revenue Service shall be retained in an appropriate electronic system that supports records management and litigation requirements, including the capability to identify, retrieve, and retain the records, in accordance with the requirements described in paragraph (2).

**(2) REQUIREMENTS.—**

(A) PRIOR TO CERTIFICATION.—The Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service shall retain all email records generated on or after the date of the enactment of this Act and before the date on which the Treasury Inspector General for Tax Administration makes the certification under subsection (c)(1).

(B) PRINCIPAL OFFICERS AND SPECIFIED EMPLOYEES.—Not later than December 31, 2019, the Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service shall maintain email records of all principal officers and specified employees of the Internal Revenue Service for a period of not less than 15 years beginning on the date such record was generated.

(b) TRANSMISSION OF RECORDS TO THE NATIONAL ARCHIVES.—Not later than 15 years after the date on which an email record of a principal officer or specified employee of the Internal Revenue Service is generated, the Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service shall transfer such email record to the Archivist of the United States.

**(c) COMPLIANCE.—**

(1) CERTIFICATION.—On the date that the Treasury Inspector General for Tax Administra-

tion determines that the Internal Revenue Service has a program in place that complies with the requirements of subsections (a)(2)(B) and (b), the Treasury Inspector General for Tax Administration shall certify to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that the Internal Revenue Service is in compliance with such requirements.

**(2) REPORTS.—**

(A) INTERIM REPORT.—Not later than December 31, 2019, the Treasury Inspector General for Tax Administration shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the steps being taken by the Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service to comply with the requirements of subsections (a)(2)(B) and (b).

(B) FINAL REPORT.—Not later than April 1, 2020, the Treasury Inspector General for Tax Administration shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate describing whether the Internal Revenue Service is in compliance with the requirements of subsections (a)(2)(B) and (b).

(d) DEFINITIONS.—For purposes of this section—

(1) PRINCIPAL OFFICER.—The term “principal officer” means, with respect to the Internal Revenue Service—

(A) any employee whose position is listed under the Internal Revenue Service in the most recent version of the United States Government Manual published by the Office of the Federal Register;

(B) any employee who is a senior staff member reporting directly to the Commissioner of Internal Revenue or the Chief Counsel for the Internal Revenue Service; and

(C) any associate counsel, deputy counsel, or division head in the Office of the Chief Counsel for the Internal Revenue Service.

(2) SPECIFIED EMPLOYEE.—The term “specified employee” means, with respect to the Internal Revenue Service, any employee who—

(A) holds a Senior Executive Service position (as defined in section 3132 of title 5, United States Code) in the Internal Revenue Service or the Office of Chief Counsel for the Internal Revenue Service; and

(B) is not a principal officer of the Internal Revenue Service.

**SEC. 3002. PROHIBITION ON REHIRING ANY EMPLOYEE OF THE INTERNAL REVENUE SERVICE WHO WAS INVOLUNTARILY SEPARATED FROM SERVICE FOR MISCONDUCT.**

(a) IN GENERAL.—Section 7804 is amended by adding at the end the following new subsection:

“(d) PROHIBITION ON REHIRING EMPLOYEES INVOLUNTARILY SEPARATED.—The Commissioner may not hire any individual previously employed by the Commissioner who was removed for misconduct under this subchapter or chapter 43 or chapter 75 of title 5, United States Code, or whose employment was terminated under section 1203 of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note).”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to the hiring of employees after the date of the enactment of this Act.

**SEC. 3003. NOTIFICATION OF UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.**

(a) IN GENERAL.—Subsection (e) of section 7431 is amended by adding at the end the following new sentences: “The Secretary shall also notify such taxpayer if the Internal Revenue Service or a Federal or State agency (upon notice to the Secretary by such Federal or State agency) proposes an administrative determination as to disciplinary or adverse action against an employee arising from the employee's unau-

thorized inspection or disclosure of the taxpayer's return or return information. The notice described in this subsection shall include the date of the unauthorized inspection or disclosure and the rights of the taxpayer under such administrative determination.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to determinations proposed after the date which is 180 days after the date of the enactment of this Act.

**Subtitle B—Provisions Relating to Exempt Organizations****SEC. 3101. MANDATORY E-FILING BY EXEMPT ORGANIZATIONS.**

(a) IN GENERAL.—Section 6033 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

“(n) MANDATORY ELECTRONIC FILING.—Any organization required to file a return under this section shall file such return in electronic form.”.

(b) CONFORMING AMENDMENT.—Paragraph (7) of section 527(j) is amended by striking “if the organization has” and all that follows through “such calendar year”.

(c) INSPECTION OF ELECTRONICALLY FILED ANNUAL RETURNS.—Subsection (b) of section 6104 is amended by adding at the end the following: “Any annual return required to be filed electronically under section 6033(n) shall be made available by the Secretary to the public as soon as practicable in a machine readable format.”.

**(d) EFFECTIVE DATE.—**

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**(2) TRANSITIONAL RELIEF.—****(A) SMALL ORGANIZATIONS.—**

(i) IN GENERAL.—In the case of any small organizations, or any other organizations for which the Secretary of the Treasury or the Secretary's delegate (hereafter referred to in this paragraph as the “Secretary”) determines the application of the amendments made by this section would cause undue burden without a delay, the Secretary may delay the application of such amendments, but such delay shall not apply to any taxable year beginning on or after the date 2 years after of the enactment of this Act.

(ii) SMALL ORGANIZATION.—For purposes of clause (i), the term “small organization” means any organization—

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

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

(B) ORGANIZATIONS FILING FORM 990-T.—In the case of any organization described in section 511(a)(2) of the Internal Revenue Code of 1986 which is subject to the tax imposed by section 511(a)(1) of such Code on its unrelated business taxable income, or any organization required to file a return under section 6033 of such Code and include information under subsection (e) thereof, the Secretary may delay the application of the amendments made by this section, but such delay shall not apply to any taxable year beginning on or after the date 2 years after of the enactment of this Act.

**SEC. 3102. NOTICE REQUIRED BEFORE REVOCATION OF TAX EXEMPT STATUS FOR FAILURE TO FILE RETURN.**

(a) IN GENERAL.—Section 6033(j)(1) is amended by striking “If an organization” and inserting the following:

**“(A) NOTICE.—**

“(i) IN GENERAL.—After an organization described in subsection (a)(1) or (i) fails to file the annual return or notice required under either subsection for 2 consecutive years, the Secretary shall notify the organization—

“(I) that the Internal Revenue Service has no record of such a return or notice from such organization for 2 consecutive years, and



“(II) about the revocation that will occur under subparagraph (B) if the organization fails to file such a return or notice by the due date for the next such return or notice required to be filed.

The notification under the preceding sentence shall include information about how to comply with the filing requirements under subsection (a)(1) and (i).

“(B) REVOCATION.—If an organization”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to failures to file returns or notices for 2 consecutive years if the return or notice for the second year is required to be filed after December 31, 2018.

#### Subtitle C—Tax Court

#### SEC. 3301. DISQUALIFICATION OF JUDGE OR MAGISTRATE JUDGE OF THE TAX COURT.

(a) IN GENERAL.—Part II of subchapter C of chapter 76 is amended by adding at the end the following new section:

#### “SEC. 7467. DISQUALIFICATION OF JUDGE OR MAGISTRATE JUDGE OF THE TAX COURT.

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

(b) CLERICAL AMENDMENT.—The table of sections for such part is amended by adding at the end the following new item:

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

#### SEC. 3302. OPINIONS AND JUDGMENTS.

(a) IN GENERAL.—Section 7459 is amended by striking all the precedes subsection (c) and inserting the following:

#### “SEC. 7459. OPINIONS AND JUDGMENTS.

“(a) REQUIREMENT.—An opinion upon any proceeding instituted before the Tax Court and a judgment thereon shall be made as quickly as practicable. The judgment shall be made by a judge in accordance with the opinion of the Tax Court, and such judgment so made shall, when entered, be the judgment of the Tax Court.

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

(b) REFERENCES.—Section 7459 is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

“(g) REFERENCES.—Any reference in this title to a decision or report of the Tax Court shall be treated as a reference to a judgment or opinion of the Tax Court, respectively.”.

(c) CONFORMING AMENDMENT.—The item relating to section 7459 in the table of sections for part II of subchapter C of chapter 76 is amended to read as follows:

“Sec. 7459. Opinions and judgments.”.

(d) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, decisions, reports, rules, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions, in connection with the Tax Court, which are in effect at the time this section takes effect, or were final before the effective date of this section and are to become effective on or after the effective date of this section, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the Tax Court.

#### SEC. 3303. TITLE OF SPECIAL TRIAL JUDGE CHANGED TO MAGISTRATE JUDGE OF THE TAX COURT.

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

(1) by striking “special trial judges” in subsections (a) and (e) and inserting “magistrate judges of the Tax Court”.

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

(3) by striking “special trial judge” in subsections (c) and (d) and inserting “magistrate judge of the Tax Court”.

(b) CONFORMING AMENDMENTS.—

(1) The heading of section 7443A is amended by striking “SPECIAL TRIAL JUDGES” and inserting “MAGISTRATE JUDGES OF THE TAX COURT”.

(2) The heading of section 7443A(b) is amended by striking “SPECIAL TRIAL JUDGES” and inserting “MAGISTRATE JUDGES OF THE TAX COURT”.

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

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

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

(5) Section 7448 is amended—

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

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

(6) Section 7448(n) is amended—

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

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

(7) The heading of section 7448(b)(2) is amended by striking “SPECIAL TRIAL JUDGES” and inserting “MAGISTRATE JUDGES OF THE TAX COURT”.

(8) The item relating to section 7448 in the table of sections for part I of subchapter C of chapter 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.”.

(9) Section 7456(a) is amended—

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

(B) by striking “(or by the clerk” and inserting “of the Tax Court (or by the clerk”.

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

(11) Section 7470A is amended by striking “special trial judges” both places it appears in subsections (a) and (b) and inserting “magistrate judges”.

(12) Section 7471(a)(2)(A) is amended by striking “special trial judges” and inserting “magistrate judges”.

(13) Section 7471(c) is amended—

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

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

#### SEC. 3304. REPEAL OF DEADWOOD RELATED TO BOARD OF TAX APPEALS.

(a) Section 7459, as amended by this Act, is amended by striking subsection (f) and by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

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

“(3) In any determination of length of service as judge or as a judge of the Tax Court of the United States there shall be included all periods (whether or not consecutive) during which an individual served as judge.”.

The SPEAKER pro tempore. The motion shall be debatable for 1 hour, equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Texas (Mr. BRADY) and the gentleman from Massachusetts (Mr. NEAL) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. BRADY of Texas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous materials on the bill that is currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of this important tax and oversight legislation. This bill has key timely components, each of which will help our economy continue moving in the right direction and provide help to families and communities damaged by disaster.

First, I think it is simply irresponsible to wait until next year to deliver crucial tax relief for families in 14 States and territories who are struggling today to recover from this year’s devastating wildfires, hurricanes, flooding, earthquakes, and other severe storms. California alone, 17,000 structures destroyed; nearly 90 lives lost throughout the Carolinas; throughout these other States, so many families waiting to hear from Congress that they will receive relief now and not next year.

Both parties need to come together to help these communities rebuild, and rebuild today. This bill allows disaster victims to immediately access funds from their retirement accounts to begin their home rebuilding. It ensures losses from these disasters are immediately deductible and helps small businesses keep their workers on the payroll, even when their operations have been interrupted by these severe storms and wildfires.

Together, we can, we will, and we should help these communities rebuild today.

Secondly, working with the Senate, we have reached common ground on important retirement savings reforms. The House version of this bill already passed with many Democrats’ votes. These reforms will help families save more throughout their lives, start saving earlier, while also helping our small businesses offer retirement plans to their valued workers.

This bill includes bold redesigns and restructuring of the Internal Revenue Service, the first bipartisan reforms to that agency in nearly two decades. Working together, Republicans and Democrats in the House passed this redesign package 414-0 earlier this year.

It is time now to send these reforms to the President's desk to ensure that the IRS is an agency truly focused on quality taxpayer service.

We are also offering bipartisan tax relief from some of ObamaCare's most damaging, harmful, and egregious taxes. Specifically, this bill provides relief from the Cadillac tax that punishes companies that provide good healthcare to their workers, the medical device tax that has chased thousands of jobs overseas, and relief from the health insurance tax and the tanning tax. These harmful taxes stifle innovation, reduce jobs, and increase the cost of families' health insurance.

This package also makes good progress on two temporary tax provisions that expired at the beginning of this year. Temporary tax policy is hardly ever good tax policy. We have an opportunity here to set a new tone for how we treat these temporary tax extenders moving forward.

Additionally, in this bill, we proactively eliminate any potential uncertainty for our churches and community groups so nothing distracts them from their core mission.

We have included a small number of straightforward, time-sensitive technical corrections to the Tax Cuts and Jobs Act. Technical corrections, as we know, are normal and traditional with any big piece of legislation, especially with rewriting the Tax Code. These small tweaks are important and will ensure our new Tax Code works as intended, to grow the economy and increase wages for middle-class families.

I urge all my colleagues to support these measures so we can send this important legislation to the Senate soon.

Mr. Speaker, I reserve the balance of my time.

Mr. NEAL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I recall this very quaint time when some of us arrived in Congress when the legislative session would wind down. There would always be this stellar photograph of the Speaker of the House and the Republican leaders and the Democratic leaders and the Republican and Democratic leaders in the United States Senate, who would be photographed on the front page of most major dailies on the phone speaking to the President of the United States, regardless of what the President's political affiliation might be.

So here we are closing the second session of the 115th Congress when we had time to do this. Instead, this is the second iteration of an irresponsible manner in terms of process that was offered to the Democratic minority in this House.

On Monday night, we got notice of this without even seeing the substance of the proposal that was in front of us. This is not the way regular order functions nor, as I have just referenced, the way that legislative sessions are supposed to conclude.

My friend—and I mean that with all sincerity—the chairman of the com-

mittee, noted that the American people are waiting to hear from Congress. Well, let me tell you this about these tax bills. It didn't take the wealthy long to hear from Congress. They heard from them right away, and the offering that they had was more concentrated wealth and more tax relief for people at the very top in America—taking that top rate from 39.6 to 37 percent, a cut in the corporate rate to 21 percent, doubling the estate tax, and here we are again with another vehicle that is not paid for.

So where do we find revenue right now as a percent of gross domestic product? It is at 16.4 percent. And we are hearing, well, just maybe this tax bill might bring us to 17.5 percent, when the historic battle that the two parties have had in this House has generally been about between 18 and 19 cents on the dollar.

So a year later, what do we have in front of us? The same procedure: closed doors, no hearings, not one witness. And if you pick up some gossip in the hallway about what this is to include, that is generally conceded now to be a point of achievement.

So a year later, we are rushing another package through to correct the errors that were delivered in the first bill.

And, by the way, these were not small errors. A couple of them were big enough to drive a Mack truck through.

Not one hearing, not one witness, not one piece of evidence documented to put in front of this committee.

So this is a last-ditch effort by our Republicans to revisit their tax law and ensure that it further benefits those who really are the strongest already in our society. They want to jam through some of these provisions to help corporations at the expense of shining some light on how we might have found a substantive opportunity to achieve a bipartisan outcome.

The American voters delivered a resounding rebuke last month, and our friends don't seem to understand what that message was about.

On election day, the tax bill polled that 49 percent were against and 41 percent were for. And if you think it was just a messaging problem, that would be a mistake. They should have joined with us to advance some very important matters that are in this legislation; and when we would have had an opportunity to fix these together through transparency, hearings, witnesses, I think we could have easily accomplished a different outcome.

I oppose this legislation because it is also not offset. For the third time this year, the party of fiscal rectitude that always lectures us when there is a Democratic President about balancing the budget went out and borrowed more than \$2 trillion for the purpose of providing a tax cut to the people at the top—\$2 trillion added to the budget deficits.

Can you imagine what the reaction would have been if Barack Obama or

Bill Clinton did that? The outrage would have been empowering in this institution. We would have heard about it for years at a time. But, no, it is okay to do it and then call it juice to the economy.

□ 1545

Well, there are many items in here that we fully approve of, but we disagree with the approach that is being taken, and we disagree with many of the substantive matters that are being offered.

There is a national principle involved here, and that is, we come to the aid of all members of the American family when natural disasters settle in, not on a piecemeal basis. And we will, I assure you, try very earnestly and very quickly next year to address many of these same issues. And I guarantee you this, for all members of this committee, there will be hearings, and there will be witnesses, and it will be done in daylight to make sure that there is an opportunity for all to be heard, including our Republican friends.

To close on part of this measure as well, this bill significantly erodes the Johnson amendment by allowing certain tax exempt organizations to make political statements during the ordinary course of activities.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Mr. Speaker, I yield myself an additional 2 minutes.

So this would allow now priest, rabbi, imam, minister, to stand at the pulpit and offer an endorsement of a particular candidate for public office.

What happened to Jefferson's wall of separation?

What happened to the idea that, unlike Europe and places like that where they have had religious strife for centuries, that we were able to avoid that because of the wall that Mr. Jefferson very skillfully constructed?

This is a dangerous precedent that threatens to politicize charitable and philanthropic organizations.

Finally, the health provisions in this bill do nothing to increase accountability for the device industry, employers, or health insurers. If we are going to provide tax relief to corporations, we should have guarantees that the savings will be reinvested in innovation; put more dollars in workers' pockets, and lower insurance premiums.

Another issue that is not in dispute, Mr. Speaker, is the following: Overwhelmingly, that tax cut went to share buybacks with corporations and dividends. It did not come to the benefit of people who needed tax relief every single day.

There are a number of provisions here that we find very supportable, but the idea that we are doing this in the closing minutes of the 115th Congress, I think, is objectionable to our side.

The proposal before us is not paid for. It did not go through the regular order, and I urge our colleagues to oppose this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I know everyone in Congress is eager to get back to a full week of Christmas shopping, but I am proud to yield 3 minutes to the gentleman from South Carolina (Mr. RICE) who represents a community devastated by disasters in 2018.

Mr. RICE of South Carolina. Mr. Speaker, I stand in strong support of the tax and oversight package before us today.

I appreciate the concern about the deficits from my colleague across the aisle, but I would remind my colleague that President Obama added \$2 trillion in deficits in only 1 year.

Mr. Speaker, this bill adds to the successes, the amazing successes of the Tax Cuts and Jobs Act which became law last year, and our economic potential in America has, once again, been unleashed and America is, once again, the land of opportunity.

Unemployment is at a record low, Mr. Speaker. Consumer confidence and small business confidence are at historic highs, and wages are growing at their fastest pace in nearly a decade.

Mr. Speaker, my friends across the aisle can say that this bill benefited only the wealthy, but I can tell you, I represent three of the poorest counties in South Carolina, Marion County, Dillon County, and Marlboro County, and all three of those counties, in 2016, were at or about 10 percent unemployment. Today, each one of those counties, largely as a result of this tax bill, are below 6 percent. For the first time in 30 years they are below 6 percent unemployment.

When we passed the Tax Cuts and Jobs Act, our message was clear: We will not wait another 30 years to take up tax legislation. We will consistently work to improve the Tax Code.

The legislation before us is an opportunity to build on the economic momentum that is creating opportunities and lifting people up in South Carolina and across the country.

Two years ago, Hurricane Matthew made landfall in South Carolina, and just a few days before a tax filing deadline, people were ignoring evacuation orders from disaster officials to ensure they could meet their IRS filing deadlines. Can you imagine having to choose between boarding up your house or filing a tax return? That is what my constituents had to do.

Ambiguity under the current law results in the IRS waiting to grant a deadline extension for weeks after a natural disaster. My bill, the Disaster Certainty Act, would create an automatic 60-day extension following a Presidential Disaster Declaration, and it is included in this bill.

Additionally, this package includes the Hurricane Florence Tax Relief Act, which I introduced with Congressman HOLDING. This legislation gives disaster victims the flexibility to access emergency funds, encourages charitable giv-

ing, and enhances the deduction for personal casualty losses.

Immediately following a disaster, families are faced with the cost of home repairs and temporary housing, but most do not have these funds at their disposal.

Mr. Speaker, I encourage my colleagues to support this package.

Mr. NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN), the ranking member of the Health Subcommittee, who has served this institution with great distinction and dedication over many years.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I thank Mr. NEAL, and I salute his eloquent statement. I hope everybody listens.

Usually, legislation has either rhyme or reason, or both. This bill has neither. It is dramatically unreasonable. It adds insult to injury. It would further increase our growing Federal debt, this time by almost \$100 billion.

Driven by the irresponsible 2017 tax law, our projected annual deficit has already more than doubled since President Trump came into office, more than doubled; mainly to benefit, as Mr. NEAL has spelled out so well, the very wealthy.

The majority thought the first tax bill of theirs would at least be helpful politically. It turned out, for voters, sour music. It was, as described earlier, hyper-partnership at its worst; no hearings. Nothing like it.

So, on this last day of votes this session, and close to my last of thousands and thousands of votes over 36 years, I will proudly vote "no."

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. LAHOOD), a key member of the Ways and Means Committee.

Mr. LAHOOD. Mr. Speaker, I want to thank Chairman BRADY for yielding time, and for his tireless leadership on improving our country's Tax Code.

Mr. Speaker, I rise today in strong support of H.R. 88, the Retirement, Savings, and Other Tax Relief Act of 2018.

Since the passage of the Tax Cuts and Jobs Act last year at this time, our economy has boomed. And under the direction of Chairman BRADY, the Ways and Means Committee hasn't stopped working on advancing and improving our Nation's tax laws.

In doing so, our committee has worked to make positive reforms to the IRS, and I am proud that this legislation includes language from my bill, the Improving Assistance for Taxpayers Act, which will bolster protections for taxpayers by requiring the IRS to respond promptly to Taxpayer Assistance Directives issued by the Taxpayer Advocate Service.

Specifically, the IRS would be required to respond to Taxpayer Advocate Directives within 90 days.

Implementing these changes will improve accountability and, therefore,

more efficiently address systematic issues within the IRS. Not only does H.R. 88 take important steps to make our tax system more accountable, but it also includes important provisions that will provide certainty to our agriculture community in central and west central Illinois.

Representing the country's eighth largest congressional district in terms of corn and soybean production, I have seen firsthand the positive impact of the Biodiesel Tax Credit on our agriculture community.

Biodiesel producers have been hurt in the past by lapses in this credit, which has hindered their ability to plan for the future. H.R. 88 provides a long-term extension and a path forward for the Biodiesel Tax Credit, which will provide positive assurances for our producers in the Midwest.

As Americans continue to reap the benefits of pro-growth tax reform, it is important we continue to fine-tune our Tax Code to work better for the citizens of this country. H.R. 88 takes important steps toward doing just that, and I have been proud to work alongside Chairman BRADY and the other members of the Ways and Means Committee to ensure we put taxpayers first, and that is what this bill does.

I urge my colleagues to stand with me and support this legislation.

Mr. NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), the ranking member of the Tax Policy Subcommittee.

Mr. DOGGETT. Mr. Speaker, the voters told them: The party's over. Go home.

But before going home, they want to go big with another big, irresponsible national debt-busting bill. Republicans are struggling to stuff just a little more silver in their donors' pockets as they get pushed out the Capitol door.

Republicans are ending this session the very same way they began it in January of last year, with arrogance, with duplicity, with total indifference to the needs of working families across our country.

And this bill comes from the "Great Cover Up Committee," the committee that covers up as much of its tax work as possible from the public; the committee that secretly changes the tax law to directly benefit the Trump family; and the committee that refuses to even review, under existing law, the Trump tax returns; the committee that believes in overlook, not oversight of the corruption that pervades this Trump administration.

Since Trump took office, the Republicans have feverishly pursued two goals: Take away healthcare from the many, and award the few with more tax benefits.

Last Friday, a Republican judge in Texas ruled that they can take away the coverage. He declared the entire act of the Affordable Care Act unconstitutional.

And so what is the response today from the actions of our indicted Texas

Attorney General colluding with the Trump administration that refused to defend the act? Are they here to protect Americans on preexisting conditions? No. They are here to reward those in the healthcare industry with more billions of dollars of tax breaks.

Today's Republican parting shot adds almost \$100 billion to our national debt, saddling existing and future Americans with that debt.

We need, in a new Congress, genuine tax reform. Today's bill does not provide it.

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. WENSTRUP).

Mr. WENSTRUP. Mr. Speaker, I rise in support of the legislation at hand, which includes the Retirement, Savings, and Other Tax Relief Act of 2018, and the Taxpayer First Act of 2018.

Since the passage of the Tax Cuts and Jobs Act, 2.1 million jobs have been created. More Americans are working. They are taking home more money as a result of pro-growth policies like tax reform and cleaning up an overly burdensome regulatory regime.

We can keep this momentum going by enacting reforms like the one before us today. This package includes legislation to make it easier for families to save for retirement, and make it easier for employers to offer retirement plans to their employees.

I am a former employer. I know that employers want this for their employees.

It also makes important structural changes to the IRS to ensure it is oriented for taxpayer service, prevents abuses, and creates a more fair appeals process.

This package would delay or repeal harmful health-related taxes, including delays for the Cadillac tax and the medical device tax which, I can tell you as a surgeon, is harmful for the advancement of medicine on behalf of patients.

Also, this bill offers a full repeal of the excise tax on indoor tanning services, which affects small businesses all over the country.

□ 1600

It gives Americans impacted by recent disasters much needed flexibility to access their retirement savings, increases charitable contributions, and helps businesses keep their employees on payroll as they surmount these disasters.

Finally, it makes technical corrections to the Tax Cuts and Jobs Act, thus ensuring that individuals and businesses can benefit from the important reforms of the law, as intended.

Mr. Speaker, this package of bills continues our efforts to help Americans save, help the economy grow, improve IRS operations, and keep a nimble and smart Tax Code. So I encourage my colleagues to support this legislation on behalf of all Americans of all generations.

Mr. NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Cali-

ornia (Mr. THOMPSON), the very assertive spokesperson from Napa Valley and my friend.

Mr. THOMPSON of California. Mr. Speaker, I thank the chairman for yielding me time.

You know, here we go again. We started this session with a terrible tax bill that was written in the dark of night, not one single hearing, not one single expert witness, an unpaid-for \$2.3 trillion tax cut. We find out after it is passed that it is fraught with problems.

Now we are going to end the session with another tax bill, not quite as fiscally irresponsible as the first, but \$100 billion unpaid for—again, no hearings, no expert witnesses.

Why in the world do you think this one is not going to be fraught with problems? This is the height of irresponsibility and just one more example of the Republicans' borrow-and-spend philosophy and practice.

Once again, I am sure we are going to hear from our friends on the other side that now that we have done this, now that we have charged all this money to future generations, we are going to have to come back and put on our fiscally responsible hat and cut Medicare and cut Social Security.

This is shameful, and it is irresponsible.

If that is not bad enough, now, in this bill, you are going to try to provide false hope to people who were victimized from natural disasters all across the country, from hurricanes, tornados, fires. You know this bill is not going anyplace. The Senate is not going to take up this bill. So you are providing false hope to folks who really need our help right now.

Mr. Speaker, revictimizing people who were terribly hurt during these disasters, it is shameful; it is irresponsible; and I urge a "no" vote.

Mr. BRADY of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. KELLY), the leader of the retirement and savings portion of this bill.

Mr. KELLY of Pennsylvania. Mr. Speaker, I thank the chairman for bringing this important legislation to the floor.

I rise in strong support of H.R. 88, a comprehensive package that in many ways will help millions of American families save more of their own money for their future.

Among H.R. 88's many important features is a section that includes key elements of three retirement savings bills that I have been proud to introduce and champion over the last 2 years.

One of those bills, the Family Savings Act, stood as one of the three main pillars of Tax Reform 2.0, which passed this House with bipartisan support in September. With H.R. 88, much of that bill, along with my bipartisan Retirement Enhancement and Savings Act and bipartisan Rightsizing Pension Premiums Act, is one giant step closer to becoming law.

In short, this package is a wonderful gift at Christmas for all Americans, and it cannot come soon enough.

Americans should be able to rely on three main sources of retirement income to ensure full financial security during their retirement years: first, Social Security; second, personal savings; and third, employer-sponsored savings plans.

Now, when it comes to that third source, an alarming number of Americans do not have access to an employer-sponsored 401(k) plan. Among those who do, a recent study found that 42 percent of them have less than \$10,000 in their plan.

Combined with the fact that more than 60 percent of Americans don't have enough cash to cover a \$1,000 emergency expense, the passage of today's package is especially critical.

Specifically, H.R. 88 will make it easier for small employers to pool together and offer retirement plans to their employees. This would help bridge the divide between the benefits that large employers might offer to their employees and those that smaller employers only wish that they could offer.

Overall, this will help ensure that the next generation of Americans doesn't outlive its savings.

I have to tell you, one of the things that I remember so clearly as a child growing up is my mother and dad saying to me: The one thing we never want to be to you kids is a burden.

I thought to myself, my gosh, my mom and dad are worried about being a burden to my brothers and sisters, after all they have done for us?

What we are trying to do is make up for that. The Greatest Generation, they are telling us they don't want to be a burden to the next generation. How American is that? That has nothing to do with Republicans and Democrats. That has to do with who we are as Americans.

This H.R. 88 accomplishes a lot of those goals, but I have to tell you, a secure retirement for every American should not be a partisan issue, and we know it is not. So, today, let's come together as a unified body and send this bill to the Senate, for the sake of every American's peace of mind during this season of peace.

Before I conclude, I also want to highlight the railroad track maintenance tax credit for the short-line railroads and the extension of the biodiesel tax credit. Each of these actions will directly support economic growth and job creation in rural communities across America.

As I look across to the other side, I think we are all the same. I can remember, as a child growing up, sitting down and making up a list and sending it off to the North Pole, telling Santa Claus everything I wanted. But I can remember coming down on Christmas morning, and I never got everything I wanted, but I was really thankful for everything I got.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BRADY of Texas. Mr. Speaker, I yield an additional 30 seconds to the gentleman.

Mr. KELLY of Pennsylvania. Mr. Speaker, this is bipartisan. This is who we are. If we cannot secure the future for those who have done so much for us, what are we doing here?

This is a wonderful opportunity for us to act at a time of year when it is much more important to give than it is to receive.

Mr. NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I listened to my friend from Pennsylvania talking about bipartisan opportunities, things we agree on. You know, the railroad tax credit is something that we could have done in a heartbeat, but unfortunately, it is wrapped into a really embarrassing piece of legislation, which is a fitting symbol to the wrap-up of 8 years of Republican rule of the House Ways and Means Committee.

We are in the process of again making the Tax Code more complex, which they have done every year they have been in control: talk about tax simplification, make it more complex.

Those complexities were for people who actually needed it the least. We have lavished massive tax cuts on the most well-off in this country and done nothing to reduce the growing income inequality.

They have assaulted the Affordable Care Act and actually put it at risk.

I hear about the improvement of IRS customer service. For 8 years, they have assaulted the IRS in their war against taxes, and they have used taxpayers as the hostages. Employees there haven't had the resources to be able to deal meaningfully with the ever-increasing Tax Code to help taxpayers with their premiums.

They have had no time to listen to the American public. You have seen major tax bills after major tax bills with no public hearings, no expert witnesses, no opportunity to really try that bipartisanship.

Mr. Speaker, I reflect now on our friend PAUL RYAN, who is leaving office, and what a sad note to end on. The Federal Government in November spent twice as much as it took in.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Mr. Speaker, I yield an additional 1 minute to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Speaker, after hearing PAUL RYAN talk for years about deficits on the Ways and Means Committee and on the Budget Committee, he leaves a legacy of exploding deficits. You talk about burdens for our children: \$2.3 trillion extra of national debt.

Think for a moment: We can't balance the budget when times are as good as they are and unemployment is as low. We have had 8 years of increasing employment.

I was just in the Cloakroom while Donald Trump was spouting off on TV, and I was watching as the Dow Jones plunged over 500 points. It is a verdict on the reckless Republican leadership in tax and spending, and they are leaving Democrats with serious problems to address.

But I know, under our chairman and Democratic leadership, we will at least listen to the American public.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. NEAL. Mr. Speaker, I yield an additional 1 minute to the gentleman.

Mr. BLUMENAUER. Mr. Speaker, we will allow the public to know what we are voting on, and we will actually be able to start building on the foundation of things that make a difference: rebuilding and renewing America, closing the income gap, allowing those most fortunate in our economy to be able to pay a little more so that we don't have to sacrifice services for the elderly, the poor, and students, and be able to rebuild and renew this country.

I am looking forward to that opportunity for Democrats to take control, and this sorry Congress cannot end fast enough.

Mr. Speaker, I urge rejection of this proposal.

Mr. BRADY of Texas. Mr. Speaker, I recognize, under a Democrat majority, every American will be taller and smarter and better looking.

Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. HOLDING), who helped lead legislation dealing with disaster relief.

Mr. HOLDING. Mr. Speaker, I rise to urge my colleagues to join me in supporting this bill.

This is a broad package, including a host of strong policy proposals supported by both Republicans and Democrats in both Chambers.

If I may, Mr. Speaker, I would like to touch upon two specific parts of the bill.

As you know, my home State of North Carolina was devastated by Hurricane Florence this past September. The damage is widespread, and the recovery efforts will take years. Folks impacted are in need of help, which is why I am grateful this package includes my legislation that I introduced with Mr. RICE, providing significant tax relief to individuals and businesses hurt by Hurricane Florence.

Better yet, we have expanded the scope of my bill to include countless Americans who have been impacted by several natural disasters that have befallen our Nation over the past year.

Specifically, this legislation will enact penalty-free access to retirement savings and provide tax incentives for employers and small businesses to ensure they keep employees on the payrolls.

It will also make it easier for folks to claim tax deductions for the cost of destroyed property and will encourage people across the country to donate to

recovery efforts by suspending limits on charitable contributions.

Altogether, this bill will lessen the tax burden on folks impacted by natural disasters so they can use more of their money to recover, rebuild, and get back on their feet.

This is one piece of a larger disaster relief package, and I am so glad to see it moving forward in this overall bill.

The second provision I would like to briefly highlight is an important one that will assist low-income taxpayers with issues concerning the IRS.

Taxes are already a major burden on low-income individuals living paycheck to paycheck, and the last thing they need to have to do is worry about dealing with the bureaucracy of the IRS. So low-income taxpayer clinics provide much needed relief guidance and support to low-income individuals, providing them with representation for the IRS or in court on audits, appeals, and other tax disputes. They provide this for a very low fee.

So I am glad these provisions are included in the overall package, and I urge a "yes" vote on the overall package.

Mr. NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. PASCRELL), the always erudite Mr. PASCRELL.

Mr. PASCRELL. Mr. Speaker, the bill before us today did not go through committee like a bill this large should. We could have offered amendments to address some of the most pressing issues with this tax bill.

I would have started with how this bill cherry-picks winners and losers, with many of the losers being in States like the State I live in, the State of New Jersey.

This is, again, let me repeat, "Week-end at Bernie's." They prop up the dead tax bill, make it look alive, and then they bring in something that makes it look even more dead.

That didn't work; this will not work. You didn't run on it; you will not run on this.

□ 1615

Our State got slammed by the new cap on the State and local tax deduction, better known as SALT, State and local taxes, the oldest deduction in the books. The GOP tax scam took money from homeowners and communities in my State and others to fund their massive giveaway to big corporations. The data is there. It is clear. It is succinct. It is definitive.

Republicans even bragged about using their tax scam to hurt New Jersey and the region. Imagine that. Imagine bragging about deliberately hurting millions of people. My amendment would have restored this critical deduction, but it was blocked.

This bill before us today provides targeted relief to victims of disasters, but only a select few. There have been 13 disasters since we last held a committee meeting on a tax bill, and I

don't see them listed here, not to mention the tax relief that victims of Hurricane Sandy never received in the first place.

There is a bill that would provide disaster tax relief to all federally declared disaster areas automatically, which it should be, so we don't have to play these partisan games of picking and choosing. If we want to help people, let's vote on it.

There are provisions in this bill that I would have supported, but our chairman made no such attempt to reach us. In fact, we didn't have any witnesses. In fact, we didn't have any hearings. How about that for democracy?

Instead, this is nearly \$100 billion.

It is unpaid for; you are very good at that. It is undebated; you think you know all of the answers. And it is very, very partisan. So much for reaching out. And most important, it utterly ignores the needs of workers in this country.

Mr. Speaker, did you hear that General Motors just announced 14,700 workers are losing their jobs? Does this bill do anything to address that? No. In fact, the underlying tax bill they are trying to fix today—remember Bernie?—did nothing to help those workers either.

General Motors moves American jobs to China and Mexico. They will be paying a lower tax rate for the pleasure, from 21 percent to a minimum of just 10.5 percent. How do you justify that?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Mr. Speaker, I yield an additional 1 minute to the gentleman from New Jersey.

Mr. PASCRELL. And we continue to let them deduct the cost—get this. We allow them to deduct the cost of moving their operations overseas.

How un-American do you get? We need to stop that.

There is a bill, by the way, to do that, if you noticed.

If you can believe it, General Motors saved more than \$150 million so far this year thanks to the GOP tax scam, and they appear to have benefited by as much as \$6.5 billion by the tax holiday for offshore cash hidden in this GOP bill.

The data is clear, Mr. Speaker. Read it. Yet here they are shipping jobs overseas just in time for the holidays.

You might think after they were repudiated at the ballot box that Republicans would show some humility and extend a hand to work with us, reach out. No. All they could do is smile and say: Bernie, it is your year. Don't worry about it.

Mr. BRADY of Texas. Mr. Speaker, I am proud to yield 3 minutes to the gentleman from Minnesota (Mr. PAULSEN), an outstanding key member of the Ways and Means Committee.

Mr. PAULSEN. Mr. Speaker, I thank the chairman for yielding.

Mr. Speaker, I want to first speak, in general, in support of this tax package overall, which includes some very, very

good tax policy. But I want to highlight and specifically draw attention to one very important provision, a bipartisan provision, and that is a further delay of the medical device tax for a 5-year period.

My preference, Mr. Speaker, would have been to have a permanent repeal of the device tax, but I understand you have to compromise on things, and that is a good compromise, so 5 years is what we get.

And look, during a period of time when there are very few issues that a lot of policymakers, unfortunately, in Congress can agree upon, there is no doubt that there has been strong, bipartisan, broad-based support to repeal and eliminate a very bad policy that was put in place as a part of ObamaCare and repealing this device tax.

This is about making sure that our Nation, our country, America, continues to lead the world in this important ecosystem that is central to improving patient care and also creating high-quality jobs.

We all know the medical device industry in America is truly an American success story. It is a Minnesota success story. I can speak to the 400,000 people around the country who are directly employed. I can speak to the 35,000 folks who are employed in Minnesota in this industry.

And these are hundreds and hundreds of companies, by the way, Mr. Speaker, that I have had the chance to visit and tour, companies you may have never heard of. They may have 5 employees or 10 employees, but every single one of them has that doctor, that engineer, that entrepreneur who is working to improve or help save lives for patients.

The device tax, however, unfortunately, caused the loss of about 29,000 jobs as it was put in place. Back this last July, Members will recall that the House voted, overwhelmingly—bipartisan support—to permanently repeal this device tax with historic levels of support, both Republicans and Democrats. Nearly 300 Members voted together to get rid of it.

It is really about protecting innovation, and it is about protecting small businesses. Eighty percent of medical device companies have less than 50 employees, and 93 percent of these companies have less than 500 employees who have good, high-paying jobs.

We are also a net exporter, exporting around the world in this industry. The Affordable Care Act, Mr. Speaker, imposed a new 2.3 percent excise tax on all medical devices.

It doesn't sound like much, but keep in mind, this is not a tax on profits. It is a tax on your sales; it is a tax on your revenue; and that is where we saw the negative impact, because it already takes 8 to 10 years for these companies to become profitable in the first place. They deal with FDA regulation, and they deal with reimbursement issues. This raised the bar. This raised the hurdle. It made it much more difficult

for these companies to become profitable in the first place.

It is about giving predictability and giving certainty for these companies so that they can continue to help innovate and help patients. That is what it is really about, making sure that new, life-improving and lifesaving products are coming to market.

I visited and met with engineers, technicians, owners, and entrepreneurs of these companies who work day in and day out coming up with the ideas for the innovation that really makes America the forefront leader.

Mr. Speaker, I would encourage support for this bill. It is a good compromise, and it makes sense.

Mr. NEAL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. JUDY CHU), well-known for her financial acumen.

Ms. JUDY CHU of California. Mr. Speaker, I rise today in strong opposition to H.R. 88.

This bill contains a provision that can only be described as sneaky. It is an anti-choice provision that has no place in a tax bill. It tries to circumvent our Supreme Court and redefine "person" by allowing parents to open 529 college savings accounts for unborn children.

Actually, this provision is unnecessary because, under current law, parents can already do this. They can open 529 college savings accounts for future children in their own name and then change the name of the beneficiary after the birth of their child.

But the implications of adding "unborn child" directly into the Tax Code are serious. This is a thinly veiled attempt to codify the legal concept of the unborn child and, therefore, claim that, legally, the fetus is separate from the mother.

This language has appeared in Republican tax bills before, and anti-choice extremists did not attempt to hide its reason for its inclusion. When this provision appeared in the House version of H.R. 1, the GOP tax scam, the spokesperson for the anti-choice group March for Life stated publicly:

We hope that this is the first step in expanding the child tax credit to include unborn children as well.

This is an obvious attempt to lay the legal groundwork for undermining a woman's constitutional right to an abortion. It is an outright attack on women's reproductive rights.

Right before Republicans must turn over control of the House to Democrats and before a record number of Congresswomen are sworn in, Republicans are making a last-ditch effort to erode women's constitutional rights to control their own bodies in order to score one last point for an extremist base, and all in a bill that they know is dead on arrival in the Senate.

Mr. Speaker, I strongly urge my colleagues to reject this bill and vote "no."

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. MAST).

Mr. MAST. Mr. Speaker, this is not a debate on education, but I am worried about the ability of my colleagues to add.

As we talk about tax and rates and terms thrown out about things like “irresponsible” and “giveaways,” I think it is incumbent that we reflect on those terms and what that actually means.

When we think about the rates that were passed, you think about somebody’s rate going from 15 percent down to 12 percent, or from 25 percent down to 22 percent, or from 28 percent down to 24 percent, and you think about that as an overall of a 10 percentage point move. Or you think about the top three brackets coming down from 39.6 percent down to 37 percent. Or going down another point below that, maybe a 3.6 percent decrease, total, on the top three brackets, and 10 percent on the bottom four brackets. That is not an inequitable distribution of those tax cuts.

You think about the term being thrown around when somebody says it is a giveaway. When somebody says that it is a giveaway to allow somebody to keep more of their earnings, what they are saying, fundamentally, is that a person’s earnings don’t belong to them; they belong to the Federal Government, and the Federal Government can give those earnings back to them.

That is not the truth. All of the earnings, the work of somebody’s hands, the fruits of somebody’s labor, those are the earnings of the individual, and they are good enough to give the Federal Government some of those dollars to go out there and function.

When you think about that term “irresponsible,” what my colleagues on the other side of the aisle are saying is that it is irresponsible to allow somebody to keep more of the fruits of their labor.

I rise in support of this bill. I encourage my colleagues on the other side of the aisle to reflect about the things that they are saying, the lies that they are literally out there saying. I hope that they can go to work for the American people instead of going to work online.

Mr. NEAL. Mr. Speaker, we don’t object to the three brackets being lowered for the American people in the middle class. We object to the idea that there were no hearings on this and the top brackets were reduced, doubling the estate tax exemption, cutting the top rate from 39.6 percent to 37 percent. If you want to do that for people at the very end of the economic scale, we are in.

Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE. Mr. Speaker, I think it is interesting to suggest that anyone is telling an untruth when 24 hours ago this House committed to passing a CR to stop the government from being shut down and the United

States Senate passed it without objection to keep the government open. Here we are now, with the government on the verge of closing because the President owns it, and we are talking about a bill that creates \$53 billion in deficit and does not help the middle class and small businesses and has a pox on women as relates to choice.

What kind of crisis are my friends trying to build a few days before we rise to take leadership as a majority in the 116th Congress? Maybe we should have hearings, but maybe we should stop this bill altogether and get back to keeping the government open and passing a continuing resolution so that the working people in all of these agencies, including Border Patrol agents and others, can do their job.

This is an insanity that keeps on growing. Mr. President, let’s stop doing this and keep the government open, and let’s have hearings on this tax bill to ensure that we do what is right for small businesses, working families, and women of America.

The SPEAKER pro tempore. Members are reminded to address their remarks to the Chair.

Mr. NEAL. Mr. Speaker, could we have clarification as to how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from Massachusetts has 6½ minutes remaining. The gentleman from Texas has 8½ minutes remaining.

Mr. NEAL. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ).

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I rise in opposition to the bill and, in particular, opposition to section 407, which would, essentially, repeal the Johnson amendment. The Johnson amendment protects the integrity and independence of charities and houses of worship by ensuring that they do not endorse or oppose political candidates.

One of the characteristics of American religious institutions that has made them so sacred is that they are separate from government and separate from campaign profits.

□ 1630

If Americans want to get involved in partisan elections, we know how to do that, but what we are seeking when we attend church, synagogue, mosque, temple, or any or house of worship is something quite different.

This distinction has long been reflected in how our law treats religious institutions differently than political institutions, to preserve their sacred place in American society, houses of worship must stay above the political fray, and refrain from endorsing candidates for political office.

Current law strikes as balance, and it is important to emphasize what houses of worship with tax-exempt status can do: they are permitted to advocate for policies that are consistent with their

values, and they can help their members become engaged in the political process by organizing events, registering voters, and getting them to the polls. They just can’t tell people who to vote for.

It is no surprise that a wide array of religious organizations and faith leaders support the Johnson amendment and oppose section 407 of this bill, out of an understandable concern that political parties and candidates seeking power would be empowered to use their congregations as tools and pressure them for their endorsements.

I think we can all agree that Americans have had enough of political partisanship. They do not want more of it, and they certainly don’t want it in their houses of worship where so many seek refuge from the tumult and chaos of their day-to-day life.

Mr. Speaker, I urge a “no” vote on the bill for this and many other reasons.

Mr. BRADY of Texas. Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Kansas (Mr. ESTES).

Mr. ESTES of Kansas. Mr. Speaker, I rise today in support of the Retirement, Savings, and Other Tax Relief Act of 2018.

In a long overdue move, and one with strong bipartisan support, this bill modernizes the IRS and improves the efficiency of the agency in dealing with taxpayers.

As one of the only former State treasurers in Congress, I understand our need for our country’s tax collection agency to adopt a culture of customer service and to help taxpayers file taxes, retrieve information, resolve issues, and make payments.

In addition to reforming the IRS, this bill also provides needed certainty to businesses by making certain tax cuts permanent, and extending others so that families and businesses know what to expect from our Tax Code in the future.

While our economy is booming, businesses of every size I meet with in my district in Kansas consistently say that the number one thing they need from Washington is certainty. We owe it to job creators and workers to provide that certainty so that they can provide for other expansions and other decisionmaking.

To support workers and families, this bill makes it easier for businesses to provide retirement plans for more employees who previously did not have access to them, and allows families to save more for retirement.

To support entrepreneurs and small businesses, this bill will allow new companies to write off more of their initial startup cost and allow startups to expand easier and faster without hitting limits on certain tax benefits like that for research and development.

Finally, this legislation also helps victims impacted by the recent wildfires, hurricanes, and other natural disasters by allowing victims to access retirement accounts without penalty

to assist in their recovery. Our fellow Americans in need should have every tool available to help them rebuild.

As I said in a recent op-ed for FOX News, the Retirement, Savings, and Other Tax Relief Act of 2018 is the right bill at the right time for America's families and economy. Passing the Tax Cuts and Jobs Act started an economic turnaround our country has not experienced in decades. Instead of stopping that momentum in its tracks, we need to build upon that success with these commonsense reforms.

Mr. Speaker, I want to thank Chairman BRADY and the Ways and Means Committee for continuing to fund solutions to grow our economy and help families.

Mr. NEAL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, so the holy grail of the tax cut was the constant reference to the stock market. That is what we have heard for the last year. I wonder about some of our Members, if they want to compare their 401(k) to what it was like in October of 2008. Or as we have witnessed that constant reference to the stock market, the stock market, the stock market, and a reminder that at the end of 2017, the stock market, or the Dow Jones Industrial Average went up to 24,719, and this afternoon, it is at 22,859.

Mr. Speaker, I call attention to that because of the chaotic nature in which this legislative body has functioned: no hearings, no witnesses, legislation crafted, we don't know where, brought to the floor, and then referenced as the achievement of a rising stock market.

So here we are again without one single hearing, rushing through another tax package that is not offset, and doubles down on the original law's skewed benefits for people at the top, again, without a markup or a single hearing.

A rushed process resulted in a failed product. And now, they want to duplicate that process with these changes proposed here today.

The bill includes a number of provisions that could have been reconciled very easily with our side enthusiastically, including the references that Mr. KELLY made to retirement benefits. We are all in.

But the hit on nonprofits—by the way, taking away benefits for parking for some of the nonprofits, is but another example of how this legislation actually lacked substance.

We can do much better. And I certainly want to encourage colleagues to oppose this legislation on process and policy, and just as I yield back, we on both sides here, are very fortunate to have exceptional tax advisers in terms of the staff members, and I want to thank Kara Getz for her work as the chief tax counsel as she moves to her new role in my office as well.

Mr. Speaker, I would like to be able to say Merry Christmas to all, but this tax bill does not help my enthusiasm. But I will still say Merry Christmas to all, and I yield back the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, what we have heard is: our feelings are hurt. They are really, really hurt. This didn't go through regular order, and so our feelings are really hurt.

Those who oppose that say: Look, we are trying to help families that are damaged by our disasters, thousands of them. I imagine those families who are looking at their homes that are charred and burned, and families who are living on the second floor of their home because it has been wiped out, I bet they would like some regular order to their life. I bet they would like things to go back to normal. I bet they would like to spend the holidays in that home, not safe and warm up here in Congress, coming up with excuses on how not to help them.

We are told it is shameless to help those who are victims of disaster, in Alabama, California, Florida, and Georgia, Hawaii, Indiana, and North Carolina. It is shameless to help you. We can't be bothered, is what opponents are saying today. In South Carolina, Texas, Virginia, Wisconsin, American Samoa, Guam, Northern Mariana Islands, we are busy, opponents are saying: We have got holidays. We can't help.

I believe we ought to help. Every one of us, Republicans, Democrats, ought to provide this key disaster tax relief that those families and communities need.

We are told it is reckless to help families and small businesses save more earlier in life, but we know we are not a Nation of savers. We have got to do more to help them. We used to do that in a bipartisan way. We can do that today.

We are told we never heard of a bill that reins in the IRS, redesigns them to become a taxpayer first agency and protects our personal data. Yet, that bill passed this House 414-0 because we had leaders like LYNN JENKINS from Kansas and JOHN LEWIS from Georgia, who worked together along with the Senate to do really thoughtful work together. Both parties gave, and took, and found a good solution. That is in this bill.

We are told that we ought not delay these ObamaCare taxes, but Republicans and Democrats, together, have worked to do this in the past, and President Obama signed them as well.

And then we are finally told that there is an attack on women's reproductive rights. Here is what it is: in this bill we allow, when you find out you are pregnant and you want to get a little head start to start saving for your child's education, like preschool, kindergarten, elementary school, get a head start on saving for trade school or for college, we are told that somehow that is an attack on reproductive rights.

It is a head start just for families that want to save a little more, get one

more year. Because today, you have to actually open an account in someone else's name and transfer it later. We are just saying, look, get a head start. If you want to start saving, we are with you. Do your very best for your child. We think that is important.

At the end of the day, I think we ought to put aside this temper tantrum and come together to help a lot of families in our country who need this help.

My guess is, if our Democrat friends get their way and manage to obstruct, they will take all of these elements right back up at the beginning of the year. It will be their idea and their credit. I will give them credit right now for it. I just think we ought to help people today, and that we ought not break for any holidays until we have really done the work that these people deserve.

As long as we are talking about people who deserve our appreciation, I want to thank our chief tax counsel Barbara Angus, who has done just a remarkable job leading an amazing Tax Policy Subcommittee, and staff who have done such remarkable work for the American people and for us here over the past 3 years.

I want to thank the staff director of our Oversight Subcommittee, Rachel Kaldahl—the whole team—who have done remarkable work in a bipartisan way, reforming the IRS; Stephanie Parks in the Health Subcommittee area, on these ACA taxes; and, Machalagh Carr, our general counsel, who shepherded us to the work today.

The bottom line is I think there are lots of ways we can work together to help the American people, especially those in need right now. This has bipartisan work, bipartisan thought. Let's join together and help the American people.

Mr. Speaker, I urge a "yes" vote, and I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I rise in opposition to H.R. 88. This package has been presented as tax relief for the victims of hurricanes, fires, and other natural disasters victims. In reality, it is a grab bag of almost \$100 billion in unpaid for tax breaks—including tax breaks for the health care industry. This bill also allows tax exempt religious organizations to engage in political activity. Moreover, the bill conspicuously omits a provision that would ensure the solvency of the trust fund that provides health care and compensation for coal miners with black lung disease.

On December 31, 2018, the excise tax rate that funds the Black Lung Benefits Disability Trust Fund will drop by 55 percent, unless Congress takes action to extend the tax rate. That tax rate of \$1.10 per ton for underground coal and 55 cents per ton for surface was extended in 2008 for 10 years. Allowing the tax rate to sunset at the end of this year will have grave fiscal consequences. According to the Government Accountability Office (GAO), the failure to extend the tax rate will cause the deficit in the Trust Fund to skyrocket from approximately \$5 billion today to \$15 billion in 2050.

Once the tax rate drops, the annual costs for benefits, medical care and administrative



costs will exceed revenues every year for the foreseeable future. The only way these benefits can be paid going forward is if the Trust Fund borrows from taxpayers. Congress designed the Black Lung Benefits Act to be financed by a tax on coal production—not the taxpayers.

Another consequence of failing to act is that the accumulated debt will pile up each year. The Trust Fund will have to borrow to also pay debt service and interest costs each year. When the debt reaches the breaking point, the only solution is a taxpayer bailout. It is irresponsible to allow the coal industry to privatize gains and socialize the costs.

Although black lung disease had been on the decline after the passage of the 1969 Coal Act, in recent years it has returned with a vengeance. Recent studies show that rates of black lung disease have reached 25 percent in Appalachia. The rates of progressive massive fibrosis, the most severe form of black lung disease, are now at epidemic levels, and are now being diagnosed in younger miners. Treating these miners will require costly medical care.

Mr. Speaker, allowing the excise tax rate to expire does a great disservice to coal miners, their families, and taxpayers.

I urge my colleagues to oppose this bill.

Mr. DANNY K. DAVIS of Illinois, Mr. Speaker, again, I stand on this Floor and oppose the myopic, Republican mission that asks hard-working Americans to pay for wasteful tax cuts for wealthy corporations.

With baby boomers retiring and needing security, the first Republican tax cuts seriously damaged the health of the Medicare Trust Fund. This bill is more of the same—exploding the deficit and threatening Social Security, Medicaid, and Medicare.

After decades of wage stagnation—when over 41 million laborers earn less than \$12 an hour, when almost none of their employers offer health insurance, when more than one-quarter of Americans struggle to cover housing costs—the Republican bill preferences health care industries over lower health care costs for consumers.

Rather than fixing their Failed Tax Law's harmful provisions toward hard-working Americans, this bill makes fixes for industry moguls.

This bill fails to roll back the double taxation on residents in Illinois via the cap on the State and Local Income Tax Deduction.

This bill fails to restore the personal exemptions taken from millions of families with children. This bill fails to help home owners whose houses lost value by capping the mortgage interest deduction.

Rather than helping all Americans affected by disasters, the Republicans are picking and choosing which disaster victims that they feel deserve relief.

Rather than uniting Americans, this bill seeks to divide our places of worship by allowing churches and religious organizations to make political statements.

People in Chicago expect government to help real people. I oppose this dangerous bill that threatens the economic security of our country and citizenry.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1180, the previous question is ordered.

The question is on the motion offered by the gentleman from Texas (Mr. BRADY).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. NEAL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Lasky, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 3277. An act to reduce regulatory burdens and streamline processes related to commercial space activities, and for other purposes.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 695, CHILD PROTECTION IMPROVEMENTS ACT OF 2017

Mr. COLE, from the Committee on Rules, submitted a privileged report (Rept. No. 115-1090) on the resolution (H. Res. 1183) providing for consideration of the Senate amendment to the House amendment to the Senate amendment to the bill (H.R. 695) to amend the National Child Protection Act of 1993 to establish a voluntary national criminal history background check system and criminal history review program for certain individuals who, related to their employment, have access to children, the elderly, or individuals with disabilities, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### PROVIDING FOR CONSIDERATION OF SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 695, CHILD PROTECTION IMPROVEMENTS ACT OF 2017

Mr. COLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1183 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1183

*Resolved*, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 695) to amend the National Child Protection Act of 1993 to establish a voluntary national criminal history background check system and criminal history review program for certain individuals who, related to their employment, have access to children, the elderly, or individuals with disabilities, and for other purposes, with the Senate amendment to the House amendment to the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion

offered by the chair of the Committee on Appropriations or his designee that the House concur in the Senate amendment to the House amendment to the Senate amendment with an amendment consisting of the text of Rules Committee Print 115-88. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations. The previous question shall be considered as ordered on the motion to its adoption without intervening motion.

The SPEAKER pro tempore. The gentleman from Oklahoma is recognized for 1 hour.

Mr. COLE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

□ 1645

GENERAL LEAVE

Mr. COLE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the Rules Committee met and reported a rule for consideration of the Further Additional Continuing Appropriations Act, 2019. The rule provides for 1 hour of debate equally divided and controlled by the chair and the ranking member of the Appropriations Committee.

Mr. Speaker, the appropriations package in front of us represents the fourth appropriations package to fully fund the government for fiscal year 2019. While the Congress has completed its work with respect to almost 75 percent of total discretionary spending, including, notably, the Department of Defense, Health and Human Services, Education, and Labor, roughly 25 percent of this discretionary spending remains outstanding. Today's bill will provide a short-term continuing resolution to February 8, 2019, to ensure that the entirety of the Federal Government remains open and operating while the Congress continues its work.

I have said on numerous occasions both on this floor and elsewhere that continuing resolutions are not the best way to fund the government, but allowing the government to shut down, even in part, is much costlier and much worse. It is our obligation to our constituents to keep all of the government open and operating to provide needed services to them.

Mr. Speaker, from an appropriations perspective, this year has been remarkably successful. Earlier this year, we sent 5 of the 12 appropriations bills to the President for his signature before the beginning of the fiscal year. That is the best record in 22 years.