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118TH CONGRESS
2D SESSION

H. R. 8876

To amend the Internal Revenue Code of 1986 to remove the limitation on the aggregate amount of grants made available to low-income taxpayer clinics and to adjust the matching fund requirements for such clinics.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2024

Mr. WENSTRUP (for himself, Mr. DAVIS of Illinois, Mrs. MILLER of West Virginia, and Mr. RASKIN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to remove the limitation on the aggregate amount of grants made available to low-income taxpayer clinics and to adjust the matching fund requirements for such clinics.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Low-Income Taxpayer Clinic Modernization Act of 2024’’.

SEC. 2. LOW-INCOME TAXPAYER CLINICS.

(a) REMOVE LIMIT ON INDIVIDUAL CLINIC.—Section 7526(c) of such Code is amended by striking paragraph

(2) and redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(b) WAIVER OF REQUIREMENT OF MATCHING FUNDS.—Section 7526(c)(4) of such section, as redesignated by subsection (a), is amended to read as follows:

"(4) REQUIREMENT OF MATCHING FUNDS.—

"(A) IN GENERAL.—A low-income taxpayer clinic must provide the applicable amount of matching funds for all grants provided under this section. Matching funds may include—

"(i) the salary (including fringe benefits) of individuals performing services for the clinic, and

"(ii) the cost of equipment used in the clinic.

"(B) INDIRECT EXPENSES NOT TREATED AS MATCHING FUNDS.—Indirect expenses, including general overhead of the institution sponsoring the clinic, shall not be counted as matching funds for the purposes of this paragraph.

"(C) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the term 'applicable amount' means—

“(i) 100 percent of the grant issued under this section, or

“(ii) in a case in which the Secretary determines that a lower matching contribution will expand services to more taxpayers, an amount determined to be appropriate by the Secretary that is not less than 25 percent of the grant issued under this section.”.

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

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