

119TH CONGRESS
1ST SESSION

H. R. 990

To amend the Internal Revenue Code of 1986 to allow individuals to avoid a penalty for failure to pay income tax by timely paying 125 percent of the income tax liability for the prior year.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 2025

Ms. CHU (for herself and Mr. CAREY) 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 allow individuals to avoid a penalty for failure to pay income tax by timely paying 125 percent of the income tax liability for the prior year.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Simplify Automatic
5 Filing Extensions Act” or the “SAFE Act”.

1 **SEC. 2. NO PENALTY FOR FAILURE TO PAY INCOME TAX**
2 **FOR INDIVIDUALS WHO TIMELY PAY 125 PER-**
3 **CENT OF INCOME TAX LIABILITY FOR PRIOR**
4 **YEAR.**

5 (a) IN GENERAL.—Section 6651(c) of the Internal
6 Revenue Code of 1986 is amended by adding at the end
7 the following new paragraph:

8 “(3) NO PENALTY FOR FAILURE TO PAY IN-
9 COME TAX FOR INDIVIDUALS WHO TIMELY PAY 125
10 PERCENT OF INCOME TAX LIABILITY FOR PRIOR
11 YEAR.—

12 “(A) IN GENERAL.—Subsection (a)(2)
13 shall not apply with respect to an income tax
14 return of an individual if such individual pays,
15 on or before the date prescribed for the pay-
16 ment of the tax with respect to which such re-
17 turn relates (determined with regard to any ex-
18 tension of time for payment), 125 percent of
19 the amount of tax required to be shown on the
20 income tax return of such individual for the im-
21 mediately preceding taxable year.

22 “(B) FAILURE TO FILE; SHORT TAXABLE
23 YEARS.—Subparagraph (A) shall not apply—

24 “(i) if the individual does not file an
25 income tax return for the taxable year de-
26 scribed in subparagraph (A) on or before

1 the date prescribed therefor (determined
2 with regard to any extension of time for
3 filing),

4 “(ii) if the individual did not file an
5 income tax return for the immediately pre-
6 ceding taxable year referred to in subpara-
7 graph (A), or

8 “(iii) if the immediately preceding
9 taxable year referred to in subparagraph
10 (A) was less than 12 months.

11 “(C) JOINT RETURNS.—In the case of a
12 joint return, if the taxpayer did not file a joint
13 return for the immediately preceding taxable
14 year referred to in subparagraph (A), the
15 amounts required to be shown on the income
16 tax returns of both spouses for such imme-
17 diately preceding taxable year shall be taken
18 into account under subparagraph (A). Except
19 as otherwise provided by the Secretary, if the
20 individual does not file a joint return for the
21 taxable year to which subparagraph (A) applies
22 and filed a joint return for the immediately pre-
23 ceding taxable year, the entire amount of tax
24 required to be shown on such joint return shall
25 be taken into account under subparagraph (A).

1 “(D) EXCEPTION NOT APPLICABLE UN-
2 LESS ADDITIONAL PAYMENTS ARE MADE WITH
3 TIMELY FILED RETURN.—Subparagraph (A)
4 shall not apply with respect to any period be-
5 ginning after the earlier of—

6 “(i) the date prescribed for filing the
7 income tax return for the taxable year (in-
8 cluding extensions thereof), or

9 “(ii) the date on which such return
10 was filed.”.

11 (b) CONFORMING AMENDMENT.—The heading of sec-
12 tion 6651(c) of such Code is amended by striking “RULE”
13 and inserting “RULES”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 December 31, 2024.

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