II

119TH CONGRESS
1ST SESSION

S. 2629

To amend the Internal Revenue Code of 1986 to provide for specific taxpayer notice when information is sought from third parties.

IN THE SENATE OF THE UNITED STATES

JULY 31, 2025

Mr. BARRASSO (for himself and Mr. WARNOCK) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Internal Revenue Code of 1986 to provide for specific taxpayer notice when information is sought from third parties.

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 ''Taxpayer Notification and Privacy Act of 2025''.

SEC. 2. SPECIFICITY OF THIRD-PARTY CONTACT NOTICES.

(a) IN GENERAL.—Paragraph (1) of section 7602(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and'' at the end of subparagraph (A),

(2) by redesignating subparagraph (B) as subparagraph (C),

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) in any case in which the information sought to be obtained from such other persons could reasonably be provided by the taxpayer, identifies each specific item of information intended to be sought from such persons, and", and

(4) by amending subparagraph (C), as redesignated by paragraph (2), to read as follows:

"(C) except as otherwise provided by the Secretary, provides the taxpayer with reasonable opportunity and a period of not less than 45 days (or more, if the taxpayer requests additional time and shows reasonable cause) to respond, including by providing the information described in subparagraph (B), before contact is made with such other persons.".

(b) EXCEPTION.—Section 7602(c)(3) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and by moving such clauses 2 ems to the right,

(2) by striking "EXCEPTIONS.—This subsection" and inserting "EXCEPTIONS.—

"(A) IN GENERAL.—This subsection", and

(3) by adding at the end the following new subparagraph:

"(B) EXCEPTION FOR INFORMATION SPECIFICITY.—If the Secretary determines that the information sought from a person other than the taxpayer is necessary notwithstanding whether the taxpayer could independently provide such information, subparagraph (B) of paragraph (1) shall not apply.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to notices provided under section 7602(c) of the Internal Revenue Code of 1986 after the date that is 12 months after the date of the enactment of this Act.

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