

115TH CONGRESS  
2D SESSION

# H. R. 5444

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## AN ACT

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

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

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

3       **SECTION 1. ORGANIZATION OF ACT INTO DIVISIONS; TABLE**  
 4                               **OF CONTENTS.**

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

7               (1) Division A—Taxpayer First Act.

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

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

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

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

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

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

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

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

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

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

#### DIVISION A—TAXPAYER FIRST ACT

Sec. 10001. Short title; etc.

#### TITLE I—INDEPENDENT APPEALS PROCESS

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

#### TITLE II—IMPROVED SERVICE

Sec. 11201. Comprehensive customer service strategy.

Sec. 11202. IRS Free File Program.

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

#### TITLE III—SENSIBLE ENFORCEMENT

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

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

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

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

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

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

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

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

#### TITLE IV—ORGANIZATIONAL MODERNIZATION

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

#### TITLE V—TAX COURT

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

#### DIVISION B—RETURN PREPARATION PROGRAMS FOR LOW-INCOME TAXPAYERS

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

#### DIVISION C—IDENTITY PROTECTION PERSONAL IDENTIFICATION NUMBERS

- Sec. 13001. Identity protection personal identification numbers.

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

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

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

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

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

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

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

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

#### DIVISION H—21ST CENTURY IRS ACT

- Sec. 18001. Short title; etc.

#### TITLE I—CYBERSECURITY AND IDENTITY PROTECTION

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

#### TITLE II—DEVELOPMENT OF INFORMATION TECHNOLOGY

Sec. 18201. Management of Internal Revenue Service information technology.  
 Sec. 18202. Development of online accounts and portals.  
 Sec. 18203. Internet platform for Form 1099 filings.

#### TITLE III—MODERNIZATION OF CONSENT-BASED INCOME VERIFICATION SYSTEM

Sec. 18301. Disclosure of taxpayer information for third-party income verification.  
 Sec. 18302. Limit redisclosures and uses of consent-based disclosures of tax return information.

#### TITLE IV—EXPANDED USE OF ELECTRONIC SYSTEMS

Sec. 18401. Electronic filing of returns.  
 Sec. 18402. Uniform standards for the use of electronic signatures for disclosure authorizations to, and other authorizations of, practitioners.  
 Sec. 18403. Payment of taxes by debit and credit cards.

#### DIVISION I—RULES FOR SEIZURE AND SALE OF PERISHABLE GOODS RESTRICTED TO ONLY PERISHABLE GOODS

Sec. 19001. Rules for seizure and sale of perishable goods restricted to only perishable goods.

## 1     **DIVISION A—TAXPAYER FIRST** 2                                     **ACT**

### 3     **SEC. 10001. SHORT TITLE; ETC.**

4         (a) SHORT TITLE.—This division may be cited as the  
 5     “Taxpayer First Act”.

6         (b) AMENDMENT OF 1986 CODE.—Except as other-  
 7     wise expressly provided, whenever in this Act an amend-  
 8     ment or repeal is expressed in terms of an amendment  
 9     to, or repeal of, a section or other provision, the reference  
 10    shall be considered to be made to a section or other provi-  
 11    sion of the Internal Revenue Code of 1986.

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

Sec. 10001. Short title; etc.

#### TITLE I—INDEPENDENT APPEALS PROCESS

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

#### TITLE II—IMPROVED SERVICE

Sec. 11201. Comprehensive customer service strategy.

Sec. 11202. IRS Free File Program.

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

#### TITLE III—SENSIBLE ENFORCEMENT

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

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Sec. 11503. Title of special trial judge changed to magistrate judge of the Tax Court.

Sec. 11504. Repeal of deadwood related to Board of Tax Appeals.

# **TITLE I—INDEPENDENT APPEALS PROCESS**

## **SEC. 11101. 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:

“(e) INDEPENDENT OFFICE OF APPEALS.—

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

5           “(2) CHIEF OF APPEALS.—

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

12          “(6) STAFF.—

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

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

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

3 “(7) ACCESS TO CASE FILES.—

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

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

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

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

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

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

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

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

9                   (b) CONFORMING AMENDMENTS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (e) EFFECTIVE DATE.—

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

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

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

## 3 **TITLE II—IMPROVED SERVICE**

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

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

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

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

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

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

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

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

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

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

21       (a) **IN GENERAL.**—

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 “(f) EQUITABLE RELIEF.—

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

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

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

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

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

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

1 plicable period of limitation under section 6502,  
2 or

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (b) EFFECTIVE DATE.—

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

9 (2) APPLICATION TO CONTRACTS IN EFFECT.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19           (4) Section 6707A(d) is amended—

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

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

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

8 (B) Section 7345(g) is amended—

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

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

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

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

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

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

3       (8) Section 7608(c) is amended—

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

25       (a) TAXPAYER ADVOCATE DIRECTIVES.—

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

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

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

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

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

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

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

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

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

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

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

7           (3) STATISTICAL SUPPORT.—

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

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

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

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

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

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

22               (d) EFFECTIVE DATE.—

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

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

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

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

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

13      (b) CONFORMING AMENDMENTS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

## 14                                   **TITLE V—TAX COURT**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“Sec. 7459. Opinions and judgments.”.

12 (c) OTHER CONFORMING AMENDMENTS.—

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

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

16 (B) Section 6213(a).

17 (C) Section 6214(d).

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

19 (E) Section 6226(g).

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

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

23 (H) Section 6247(d).

24 (I) Section 6252(e).

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

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

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

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

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

6 (O) Section 7428(a).

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

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

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

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

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

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

15 (V) Section 7477(a).

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

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

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

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

24 (B) Section 6226(h).

25 (C) Section 6247(e).

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

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

4 (F) Section 7422.

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

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

9 (I) Section 7482.

10 (J) Section 7483.

11 (K) Section 7485(b).

12 (L) Section 7481.

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

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

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

21 (6) Section 7461(a) is amended—

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

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

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

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

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

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

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

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

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

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

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

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

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

“Sec. 7462. Publication of opinions.”.

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

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

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

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

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

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

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

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

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

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

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

18 (b) CONFORMING AMENDMENTS.—

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

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



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

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

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

7           (5) Section 7448 is amended—

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

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

16          (6) Section 7448(n) is amended—

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

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

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

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

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

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

6               (9) Section 7456(a) is amended—

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

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

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

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

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

22               (13) Section 7471(c) is amended—

1 (A) by striking “SPECIAL TRIAL JUDGES”  
 2 in the heading and inserting “MAGISTRATE  
 3 JUDGES OF THE TAX COURT”, and  
 4 (B) by striking “special trial judges” and  
 5 inserting “magistrate judges”.

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

8 (a) Section 7459 is amended by striking subsection  
 9 (f) and redesignating subsection (g) as subsection (f).  
 10 (b) Section 7447(a)(3) is amended to read as follows:  
 11 “(3) In any determination of length of service  
 12 as judge or as a judge of the Tax Court of the  
 13 United States there shall be included all periods  
 14 (whether or not consecutive) during which an indi-  
 15 vidual served as judge.”.

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

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

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

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

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

12 “(b) USE OF FUNDS.—

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

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

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

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

26 “(iii) equipment purchases, and

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

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

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

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

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

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

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

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

25                  “(c) APPLICATION.—

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

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

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

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

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

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

23           “(d) PROGRAM ADHERENCE.—

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

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

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

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

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

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

17               “(B) is subsequently determined—

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

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

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

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

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

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

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

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

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

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

19 “(2) QUALIFIED ENTITY.—

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

22 “(i) is an eligible organization,

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



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

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

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

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

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

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

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

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

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

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

21 “(I) a State government agency,  
22 or

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

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

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

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

16                  “(f) SPECIAL RULES AND LIMITATIONS.—

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

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

1 “(g) PROMOTION OF PROGRAMS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 (b) SINGLE POINT OF CONTACT.—

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

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

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

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

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

20 (B) notify the taxpayer when appropriate.

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

22 (c) EFFECTIVE DATE.—

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

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

3 (2) TRANSITIONAL RELIEF.—

4 (A) SMALL ORGANIZATIONS.—

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

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

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

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

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

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

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

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

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

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

Sec. 18001. Short title; etc.

#### TITLE I—CYBERSECURITY AND IDENTITY PROTECTION

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

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

Sec. 18103. Information sharing and analysis center.

Sec. 18104. Compliance by contractors with confidentiality safeguards.

Sec. 18105. Report on electronic payments.

#### TITLE II—DEVELOPMENT OF INFORMATION TECHNOLOGY

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

Sec. 18202. Development of online accounts and portals.

Sec. 18203. Internet platform for Form 1099 filings.

#### TITLE III—MODERNIZATION OF CONSENT-BASED INCOME VERIFICATION SYSTEM

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

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

#### TITLE IV—EXPANDED USE OF ELECTRONIC SYSTEMS

Sec. 18401. Electronic filing of returns.

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

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

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

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

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

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

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

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

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

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

25 (c) DISCLOSURE.—

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

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

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

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

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

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

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

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

“(ii) INFORMATION SHARING AGREE-  
MENT.—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 per-  
son under this paragraph, including re-  
quirements regarding the protection and  
safeguarding of such information by such  
person.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 “(4) STRATEGIC PLAN.—

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

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

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

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

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



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

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

11                  “(5) SCOPE OF AUTHORITY.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24           (1) prepare and file Forms 1099,

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

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

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

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

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

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

### 18   **SEC. 18301. DISCLOSURE OF TAXPAYER INFORMATION FOR** 19       **THIRD-PARTY INCOME VERIFICATION.**

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

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

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

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

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

16          (d) USER FEE.—

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19           “(3) PUBLISHED GUIDANCE.—

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

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

“(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. 18403. 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

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

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

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

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

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

Passed the House of Representatives April 18, 2018.

Attest:

*Clerk.*

115TH CONGRESS  
2D SESSION

# H. R. 5444

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## AN ACT

To amend the Internal Revenue Code of 1986 to modernize and improve the Internal Revenue Service, to amend the Internal Revenue Code of 1986 to make permanent the Volunteer Income Tax Assistance matching grant program, to require the Secretary of the Treasury to establish a program for the issuance of identity protection personal identification numbers, to amend the Internal Revenue Code of 1986 to allow officers and employees of the Department of the Treasury to provide to taxpayers information regarding low-income taxpayer clinics, to provide for a single point of contact at the Internal Revenue Service for the taxpayers who are victims of tax-related identity theft, to require notice from the Secretary of the Treasury in the case of any closure of a Taxpayer Assistance Center, to amend the Internal Revenue Code of 1986 to require electronic filing of the annual returns of exempt organizations and provide for making such returns available for public inspection, to amend the Internal Revenue Code of 1986 to improve cybersecurity and taxpayer identity protection, and modernize the information technology of the Internal Revenue Service, to amend the Internal Revenue Code of 1986 to restrict the immediate sale of seized property by the Secretary of the Treasury to perishable goods, and for other purposes.