

109TH CONGRESS
1ST SESSION

S. 832

To amend the Internal Revenue Code of 1986 to provide taxpayer protection and assistance, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 18, 2005

Mr. BINGAMAN (for himself, Mr. SMITH, Mr. BAUCUS, Mr. GRASSLEY, Mr. AKAKA, Mr. SCHUMER, and Mr. PRYOR) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide taxpayer protection and assistance, 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. SHORT TITLE; AMENDMENT OF 1986 CODE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Taxpayer Protection and Assistance Act of 2005”.

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

1 shall be considered to be made to a section or other provi-
 2 sion of the Internal Revenue Code of 1986.

3 **SEC. 2. LOW-INCOME TAXPAYER CLINICS.**

4 (a) GRANTS FOR RETURN PREPARATION CLINICS.—

5 (1) IN GENERAL.—Chapter 77 (relating to mis-
 6 cellaneous provisions) is amended by inserting after
 7 section 7526 the following new section:

8 **“SEC. 7526A. RETURN PREPARATION CLINICS FOR LOW-IN-
 9 COME TAXPAYERS.**

10 “(a) IN GENERAL.—The Secretary may, subject to
 11 the availability of appropriated funds, make grants to pro-
 12 vide matching funds for the development, expansion, or
 13 continuation of qualified return preparation clinics.

14 “(b) DEFINITIONS.—For purposes of this section—

15 “(1) QUALIFIED RETURN PREPARATION CLIN-
 16 IC.—

17 “(A) IN GENERAL.—The term ‘qualified
 18 return preparation clinic’ means a clinic
 19 which—

20 “(i) does not charge more than a
 21 nominal fee for its services (except for re-
 22 imbursement of actual costs incurred), and

23 “(ii) operates programs which assist
 24 low-income taxpayers, including individuals
 25 for whom English is a second language, in

1 preparing and filing their Federal income
2 tax returns, including schedules reporting
3 sole proprietorship or farm income.

4 “(B) ASSISTANCE TO LOW-INCOME TAX-
5 PAYERS.—A clinic is treated as assisting low-in-
6 come taxpayers under subparagraph (A)(ii) if
7 at least 90 percent of the taxpayers assisted by
8 the clinic have incomes which do not exceed 250
9 percent of the poverty level, as determined in
10 accordance with criteria established by the Di-
11 rector of the Office of Management and Budg-
12 et.

13 “(2) CLINIC.—The term ‘clinic’ includes—

14 “(A) a clinical program at an eligible edu-
15 cational institution (as defined in section
16 529(e)(5)) which satisfies the requirements of
17 paragraph (1) through student assistance of
18 taxpayers in return preparation and filing, and

19 “(B) an organization described in section
20 501(c) and exempt from tax under section
21 501(a) which satisfies the requirements of para-
22 graph (1).

23 “(c) SPECIAL RULES AND LIMITATIONS.—

24 “(1) AGGREGATE LIMITATION.—Unless other-
25 wise provided by specific appropriation, the Sec-

1 retary shall not allocate more than \$10,000,000 per
 2 year (exclusive of costs of administering the pro-
 3 gram) to grants under this section.

4 “(2) OTHER APPLICABLE RULES.—Rules simi-
 5 lar to the rules under paragraphs (2) through (7) of
 6 section 7526(c) shall apply with respect to the
 7 awarding of grants to qualified return preparation
 8 clinics.”.

9 (2) CLERICAL AMENDMENT.—The table of sec-
 10 tions for chapter 77 is amended by inserting after
 11 the item relating to section 7526 the following new
 12 item:

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

13 (b) GRANTS FOR TAXPAYER REPRESENTATION AND
 14 ASSISTANCE CLINICS.—

15 (1) INCREASE IN AUTHORIZED GRANTS.—Sec-
 16 tion 7526(c)(1) (relating to aggregate limitation) is
 17 amended by striking “\$6,000,000” and inserting
 18 “\$10,000,000”.

19 (2) USE OF GRANTS FOR OVERHEAD EXPENSES
 20 PROHIBITED.—

21 (A) IN GENERAL.—Section 7526(c) (relat-
 22 ing to special rules and limitations) is amended
 23 by adding at the end the following new para-
 24 graph:

1 “(6) USE OF GRANTS FOR OVERHEAD EX-
2 PENSES PROHIBITED.—No grant made under this
3 section may be used for the overhead expenses of
4 any clinic or of any institution sponsoring such clin-
5 ic.”.

6 (B) CONFORMING AMENDMENTS.—Section
7 7526(c)(5) is amended—

8 (i) by inserting “qualified” before
9 “low-income”, and

10 (ii) by striking the last sentence.

11 (3) PROMOTION OF CLINICS.—Section 7526(c),
12 as amended by paragraph (2), is amended by adding
13 at the end the following new paragraph:

14 “(7) PROMOTION OF CLINICS.—The Secretary
15 is authorized to promote the benefits of and encour-
16 age the use of low-income taxpayer clinics through
17 the use of mass communications, referrals, and other
18 means.”.

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

1 **SEC. 3. CLARIFICATION OF ENROLLED AGENT CREDEN-**
2 **TIALS.**

3 (a) IN GENERAL.—Chapter 77 (relating to miscella-
4 neous provisions) is amended by adding at the end the
5 following new section:

6 **“SEC. 7529. ENROLLED AGENTS.**

7 “(a) IN GENERAL.—The Secretary may prescribe
8 such regulations as may be necessary to regulate the con-
9 duct of enrolled agents in regards to their practice before
10 the Internal Revenue Service.

11 “(b) USE OF CREDENTIALS.—Any enrolled agents
12 properly licensed to practice as required under rules pro-
13 mulgated under subsection (a) shall be allowed to use the
14 credentials or designation as ‘enrolled agent’, ‘EA’, or
15 ‘E.A.’”.

16 (b) CLERICAL AMENDMENT.—The table of sections
17 for chapter 77 is amended by adding at the end the fol-
18 lowing new item:

“Sec. 7529. Enrolled agents.”.

19 (c) PRIOR REGULATIONS.—The authorization to pre-
20 scribe regulations under the amendments made by this
21 section may not be construed to have any effect on part
22 10 of title 31, Code of Federal Regulations, or any other
23 related Federal rule or regulation issued before the date
24 of the enactment of this Act.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date of the enactment
3 of this Act.

4 **SEC. 4. REGULATION OF INCOME TAX RETURN PREPARERS.**

5 (a) AUTHORIZATION.—Section 330(a)(1) of title 31,
6 United States Code, is amended by inserting “(including
7 compensated preparers of tax returns, documents, and
8 other submissions)” after “representatives”.

9 (b) REQUIREMENT.—

10 (1) IN GENERAL.—Not later than 1 year after
11 the date of the enactment of this Act, the Secretary
12 of the Treasury shall prescribe regulations under
13 section 330 of title 31, United States Code—

14 (A) to regulate those compensated pre-
15 parers not otherwise regulated under regula-
16 tions promulgated under such section on the
17 date of the enactment of this Act, and

18 (B) to carry out the provisions of, and
19 amendments made by, this section.

20 (2) EXAMINATION.—In promulgating the regu-
21 lations under paragraph (1), the Secretary shall de-
22 velop (or approve) and administer an eligibility ex-
23 amination designed to test—

1 (A) the technical knowledge and com-
2 petency of each preparer described in para-
3 graph (1)(A)—

4 (i) to prepare Federal tax returns, in-
5 cluding individual and business income tax
6 returns, and

7 (ii) to properly claim the earned in-
8 come tax credit under section 32 of the In-
9 ternal Revenue Code of 1986 with respect
10 to such individual returns, and

11 (B) the knowledge of each such preparer
12 regarding such ethical standards for the prepa-
13 ration of such returns as determined appro-
14 priate by the Secretary.

15 (3) CONTINUING ELIGIBILITY.—

16 (A) IN GENERAL.—The regulations under
17 paragraph (1) shall require a renewal of eligi-
18 bility every 3 years and shall set forth the man-
19 ner in which a preparer described in paragraph
20 (1)(A) must renew such eligibility.

21 (B) CONTINUING EDUCATION REQUIRE-
22 MENTS.—As part of the renewal of eligibility,
23 such regulations shall require that each such
24 preparer show evidence of completion of such

1 continuing education requirements as specified
2 by the Secretary.

3 (C) NONMONETARY SANCTIONS.—The reg-
4 ulations under paragraph (1) shall provide for
5 the suspension or termination of such eligibility
6 in the event of any failure to comply with the
7 requirements for such eligibility.

8 (e) OFFICE OF PROFESSIONAL RESPONSIBILITY.—
9 Section 330 of title 31, United States Code, is amended
10 by adding at the end the following new subsection:

11 “(e) OFFICE OF PROFESSIONAL RESPONSIBILITY.—

12 “(1) IN GENERAL.—There shall be in the Inter-
13 nal Revenue Service an Office of Professional Re-
14 sponsibility the functions of which shall be as pre-
15 scribed by the Secretary of the Treasury, including
16 the carrying out of the purposes of this section.

17 “(2) DIRECTOR.—

18 “(A) IN GENERAL.—The Office of Profes-
19 sional Responsibility shall be under the super-
20 vision and direction of an official known as the
21 ‘Director, Office of Professional Responsibility’.
22 The Director, Office of Professional Responsi-
23 bility, shall report directly to the Commissioner
24 of Internal Revenue and shall be entitled to
25 compensation at the same rate as the highest

1 rate of basic pay established for the Senior Ex-
2 ecutive Service under section 5382 of title 5, or,
3 if the Secretary of the Treasury so determines,
4 at a rate fixed under section 9503 of such title.

5 “(B) APPOINTMENT.—The Director, Office
6 of Professional Responsibility, shall be ap-
7 pointed by the Secretary of the Treasury with-
8 out regard to the provisions of title 5 relating
9 to appointments in the competitive service or
10 the Senior Executive Service.

11 “(3) HEARING.—Any hearing on an action ini-
12 tiated by the Director, Office of Professional Re-
13 sponsibility to impose a sanction under regulations
14 promulgated under this section shall be conducted in
15 accordance with sections 556 and 557 of title 5 by
16 1 or more administrative law judges appointed by
17 the Secretary of the Treasury under section 3105 of
18 title 5.

19 “(4) INFORMATION ON SANCTIONS TO BE
20 AVAILABLE TO THE PUBLIC.—

21 “(A) SANCTIONS INITIATED BY ACTION.—

22 When an action is initiated by the Director, Of-
23 fice of Professional Responsibility, to impose a
24 sanction under regulations promulgated under
25 this section, the pleadings, and the record of

1 the proceeding and hearing shall be open to the
2 public (subject to restrictions imposed under
3 subparagraph (C)).

4 “(B) SANCTION NOT INITIATED BY AC-
5 TION.—When a sanction under regulations pro-
6 mulgated under this section (other than a pri-
7 vate reprimand) is imposed without initiation of
8 an action, the Director, Office of Professional
9 Responsibility, shall make available to the pub-
10 lic information identifying the representative,
11 employer, firm or other entity sanctioned, as
12 well as information about the conduct which
13 gave rise to the sanction (subject to restrictions
14 imposed under subparagraph (C)).

15 “(C) RESTRICTIONS ON RELEASE OF IN-
16 FORMATION.—Information about clients of the
17 representative, employer, firm or other entity
18 and medical information with respect to the
19 representative shall not be released to the pub-
20 lic or discussed in an open hearing, except to
21 the extent necessary to understand the nature,
22 scope, and impact of the conduct giving rise to
23 the sanction or proposed sanction. Disagree-
24 ments regarding the application of this sub-
25 paragraph shall be resolved by the administra-

1 tive law judge or, when a sanction is imposed
2 without initiation of an action, by the Director,
3 Office of Professional Responsibility.

4 “(5) FEES.—Any fees imposed under regula-
5 tions promulgated under this section shall be avail-
6 able without fiscal year limitation to the Office of
7 Professional Responsibility for the purpose of reim-
8 bursement of the costs of administering and enforce-
9 ing the requirements of such regulations.”.

10 (d) PENALTIES.—

11 (1) INCREASE IN CERTAIN PENALTIES.—Sub-
12 sections (b) and (c) of section 6695 (relating to
13 other assessable penalties with respect to the prepa-
14 ration of income tax returns for other persons) are
15 each amended by striking “\$50” and inserting
16 “\$500”.

17 (2) USE OF PENALTIES.—Unless specifically
18 appropriated otherwise, there is authorized to be ap-
19 propriated and is appropriated to the Office of Pro-
20 fessional Responsibility for each fiscal year for the
21 administration of the public awareness campaign de-
22 scribed in subsection (f) an amount equal to the
23 penalties collected during the preceding fiscal year
24 under sections 6694 and 6695 of the Internal Rev-
25 enue Code of 1986 and under the regulations pro-

1 mulgated under section 330 of title 31, United
2 States Code (by reason of subsection (b)(1)).

3 (e) COORDINATION WITH SECTION 6060(a).—The
4 Secretary of the Treasury shall coordinate the require-
5 ments under the regulations promulgated under section
6 330 of title 31, United States Code, with the return re-
7 quirements of section 6060 of the Internal Revenue Code
8 of 1986.

9 (f) PUBLIC AWARENESS CAMPAIGN.—The Secretary
10 of the Treasury shall conduct a public information and
11 consumer education campaign, utilizing paid advertising—

12 (1) to encourage taxpayers to use for Federal
13 tax matters only professionals who establish their
14 competency under the regulations promulgated
15 under section 330 of title 31, United States Code,
16 and

17 (2) to inform the public of the requirements
18 that any compensated preparer of tax returns, docu-
19 ments, and submissions subject to the requirements
20 under the regulations promulgated under such sec-
21 tion must sign the return, document, or submission
22 prepared for a fee and display notice of such pre-
23 parer's compliance under such regulations.

24 (g) ADDITIONAL FUNDS AVAILABLE FOR COMPLI-
25 ANCE ACTIVITIES.—The Secretary of the Treasury may

1 use any specifically appropriated funds for earned income
2 tax credit compliance to improve and expand enforcement
3 of the regulations promulgated under section 330 of title
4 31, United States Code.

5 (h) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect on the date of the enactment
7 of this Act.

8 **SEC. 5. CONTRACT AUTHORITY FOR EXAMINATIONS OF**
9 **PREPARERS.**

10 The Secretary of the Treasury is authorized to con-
11 tract for the development or administration, or both, of
12 any examinations under the regulations promulgated
13 under section 330 of title 31, United States Code.

14 **SEC. 6. REGULATION OF REFUND ANTICIPATION LOAN**
15 **FACILITATORS.**

16 (a) REGULATION OF REFUND ANTICIPATION LOAN
17 FACILITATORS.—

18 (1) IN GENERAL.—Chapter 77 (relating to mis-
19 cellaneous provisions), as amended by this Act, is
20 amended by inserting at the end the following new
21 section:

22 **“SEC. 7530. REFUND ANTICIPATION LOAN FACILITATORS.**

23 **“(a) REGISTRATION.—**Each refund loan facilitator
24 shall register with the Secretary on an annual basis. As
25 a part of such registration, each refund loan facilitator

1 shall provide the Secretary with the taxpayer identification
2 number of such facilitator.

3 “(b) DISCLOSURE.—Each refund loan facilitator
4 shall disclose to a taxpayer both orally and on a separate
5 written form at the time such taxpayer applies for a re-
6 fund anticipation loan the following information:

7 “(1) NATURE OF THE TRANSACTION.—The re-
8 fund loan facilitator shall disclose—

9 “(A) that the taxpayer is applying for a
10 loan that is based upon the taxpayer’s antici-
11 pated income tax refund,

12 “(B) the expected time within which the
13 loan will be paid to the taxpayer if such loan is
14 approved,

15 “(C) the time frame in which tax refunds
16 are typically paid based upon the different filing
17 options available to the taxpayer,

18 “(D) that there is no guarantee that a re-
19 fund will be paid in full or received within a
20 specified time period and that the taxpayer is
21 responsible for the repayment of the loan even
22 if the refund is not paid in full or has been de-
23 layed,

24 “(E) if the refund loan facilitator has an
25 agreement with another refund loan facilitator

1 (or any lender working in conjunction with an-
2 other refund loan facilitator) to offset out-
3 standing liabilities for previous refund anticipa-
4 tion loans provided by such other refund loan
5 facilitator, that any refund paid to the taxpayer
6 may be so offset and the implication of any
7 such offset,

8 “(F) that the taxpayer may file an elec-
9 tronic return without applying for a refund an-
10 ticipation loan and the fee for filing such an
11 electronic return, and

12 “(G) that the loan may have substantial
13 fees and interest charges that may exceed those
14 of other sources of credit and the taxpayer
15 should carefully consider—

16 “(i) whether such a loan is appro-
17 priate for the taxpayer, and

18 “(ii) other sources of credit.

19 “(2) FEES AND INTEREST.—The refund loan
20 facilitator shall disclose all refund anticipation loan
21 fees with respect to the refund anticipation loan.
22 Such disclosure shall include—

23 “(A) a copy of the fee schedule of the re-
24 fund loan facilitator,

1 “(B) the typical fees and interest rates
2 (using annual percentage rates as defined by
3 section 107 of the Truth in Lending Act (15
4 U.S.C. 1606)) for several typical amounts of
5 such loans,

6 “(C) typical fees and interest charges if a
7 refund is not paid or delayed, and

8 “(D) the amount of a fee (if any) that will
9 be charged if the loan is not approved.

10 “(3) OTHER INFORMATION.—The refund loan
11 facilitator shall disclose any other information re-
12 quired to be disclosed by the Secretary.

13 “(c) FINES AND SANCTIONS.—

14 “(1) IN GENERAL.—The Secretary may impose
15 a monetary penalty on any refund loan facilitator
16 who—

17 “(A) fails to register under subsection (a),
18 or

19 “(B) fails to disclose any information re-
20 quired under subsection (b).

21 “(2) MAXIMUM MONETARY PENALTY.—Any
22 monetary penalty imposed under paragraph (1) shall
23 not exceed—

24 “(A) in the case of a failure to register,
25 the gross income derived from all refund antici-

1 pation loans made during the period the refund
2 loan facilitator was not registered, and

3 “(B) in the case of a failure to disclose in-
4 formation, the gross income derived from all re-
5 fund anticipation loans with respect to which
6 such failure applied.

7 “(3) REASONABLE CAUSE EXCEPTIONS.—No
8 penalty may be imposed under this subsection with
9 respect to any failure if it is shown that such failure
10 is due to reasonable cause.

11 “(d) DEFINITIONS.—For purposes of this section—

12 “(1) REFUND LOAN FACILITATOR.—

13 “(A) IN GENERAL.—The term ‘refund loan
14 facilitator’ means any electronic return origi-
15 nator who—

16 “(i) solicits for, processes, receives, or
17 accepts delivery of an application for a re-
18 fund anticipation loan, or

19 “(ii) facilitates the making of a refund
20 anticipation loan in any other manner.

21 “(B) ELECTRONIC RETURN ORIGINATOR.—

22 For purposes of subparagraph (A), the term
23 ‘electronic return originator’ means a person
24 who originates the electronic submission of in-
25 come tax returns for another person.

1 “(2) REFUND ANTICIPATION LOAN.—The term
2 ‘refund anticipation loan’ means any loan of money
3 or any other thing of value to a taxpayer in connec-
4 tion with the taxpayer’s anticipated receipt of a Fed-
5 eral tax refund. Such term includes a loan secured
6 by the tax refund or an arrangement to repay a loan
7 from the tax refund.

8 “(3) REFUND ANTICIPATION LOAN FEES.—The
9 term ‘refund anticipation loan fees’ means the fees,
10 charges, interest, and other consideration charged or
11 imposed by the lender or facilitator for the making
12 of a refund anticipation loan.

13 “(e) REGULATIONS.—The Secretary may prescribe
14 such regulation as necessary to implement the require-
15 ments of this section.”.

16 (2) CLERICAL AMENDMENT.—The table of sec-
17 tions for chapter 77, as amended by this Act, is
18 amended by adding at the end the following new
19 item:

 “Sec. 7530. Refund anticipation loan facilitators.”.

20 (b) DISCLOSURE OF PENALTY.—Subsection (k) of
21 section 6103 is amended by adding at the end the fol-
22 lowing new paragraph:

23 “(10) DISCLOSURE OF PENALTIES ON REFUND
24 ANTICIPATION LOAN FACILITATORS.—The Secretary
25 may disclose the name of any person with respect to

1 whom a penalty has been imposed under section
2 7530 and the amount of any such penalty.”.

3 (c) USE OF PENALTIES.—Unless specifically appro-
4 priated otherwise, there is authorized to be appropriated
5 and is appropriated to the Internal Revenue Service for
6 each fiscal year for the administration of the public aware-
7 ness campaign described in subsection (d) an amount
8 equal to the penalties collected during the preceding fiscal
9 year under section 7530 of the Internal Revenue Code of
10 1986.

11 (d) PUBLIC AWARENESS CAMPAIGN.—The Secretary
12 of the Treasury shall conduct a public information and
13 consumer education campaign, utilizing paid advertising,
14 to educate the public on making sound financial decisions
15 with respect to refund anticipation loans (as defined under
16 section 7530 of the Internal Revenue Code of 1986), in-
17 cluding the need to compare—

18 (1) the rates and fees of such loans with the
19 rates and fees of conventional loans; and

20 (2) the amount of money received under the
21 loan after taking into consideration such costs and
22 fees with the total amount of the refund.

23 (e) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on the date that is 1 year
25 after the date of the enactment of this Act.

1 **SEC. 7. TAXPAYER ACCESS TO FINANCIAL INSTITUTIONS.**

2 (a) ESTABLISHMENT OF PROGRAM.—The Secretary
3 is authorized to award demonstration project grants (in-
4 cluding multi-year grants) to eligible entities which part-
5 ner with volunteer and low-income preparation organiza-
6 tions to provide tax preparation services and assistance
7 in connection with establishing an account in a federally
8 insured depository institution for individuals that cur-
9 rently do not have such an account.

10 (b) ELIGIBLE ENTITIES.—

11 (1) IN GENERAL.—An entity is eligible to re-
12 ceive a grant under this section if such an entity
13 is—

14 (A) an organization described in section
15 501(c)(3) of the Internal Revenue Code of 1986
16 and exempt from tax under section 501(a) of
17 such Code,

18 (B) a federally insured depository institu-
19 tion,

20 (C) an agency of a State or local govern-
21 ment,

22 (D) a community development financial in-
23 stitution,

24 (E) an Indian tribal organization,

25 (F) an Alaska Native Corporation,

26 (G) a Native Hawaiian organization,

1 (H) a labor organization, or

2 (I) a partnership comprised of 1 or more
3 of the entities described in the preceding sub-
4 paragraphs.

5 (2) DEFINITIONS.—For purposes of this sec-
6 tion—

7 (A) FEDERALLY INSURED DEPOSITORY IN-
8 STITUTION.—The term “federally insured de-
9 pository institution” means any insured deposi-
10 tory institution (as defined in section 3 of the
11 Federal Deposit Insurance Act (12 U.S.C.
12 1813)) and any insured credit union (as defined
13 in section 101 of the Federal Credit Union Act
14 (12 U.S.C. 1752)).

15 (B) COMMUNITY DEVELOPMENT FINAN-
16 CIAL INSTITUTION.—The term “community de-
17 velopment financial institution” means any or-
18 ganization that has been certified as such pur-
19 suant to section 1805.201 of title 12, Code of
20 Federal Regulations.

21 (C) ALASKA NATIVE CORPORATION.—The
22 term “Alaska Native Corporation” has the
23 same meaning as the term “Native Corpora-
24 tion” under section 3(m) of the Alaska Native
25 Claims Settlement Act (43 U.S.C. 1602(m)).

1 (D) NATIVE HAWAIIAN ORGANIZATION.—

2 The term “Native Hawaiian organization”

3 means any organization that—

4 (i) serves and represents the interests
5 of Native Hawaiians, and

6 (ii) has as a primary and stated pur-
7 pose the provision of services to Native
8 Hawaiians.

9 (E) LABOR ORGANIZATION.—The term
10 “labor organization” means an organization—

11 (i) in which employees participate,

12 (ii) which exists for the purpose, in
13 whole or in part, of dealing with employers
14 concerning grievances, labor disputes,
15 wages, rates of pay, hours of employment,
16 or conditions of work, and

17 (iii) which is described in section
18 501(e)(5).

19 (c) APPLICATION.—An eligible entity desiring a grant
20 under this section shall submit an application to the Sec-
21 retary in such form and containing such information as
22 the Secretary may require.

23 (d) LIMITATION ON ADMINISTRATIVE COSTS.—A re-
24 cipient of a grant under this section may not use more
25 than 6 percent of the total amount of such grant in any

1 fiscal year for the administrative costs of carrying out the
2 programs funded by such grant in such fiscal year.

3 (e) EVALUATION AND REPORT.—For each fiscal year
4 in which a grant is awarded under this section, the Sec-
5 retary shall submit a report to Congress containing a de-
6 scription of the activities funded, amounts distributed, and
7 measurable results, as appropriate and available.

8 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated to the Secretary, for the
10 grant program described in this section, \$10,000,000, or
11 such additional amounts as deemed necessary, to remain
12 available until expended.

13 (g) REGULATIONS.—The Secretary is authorized to
14 promulgate regulations to implement and administer the
15 grant program under this section.

16 (h) STUDY ON DELIVERY OF TAX REFUNDS.—

17 (1) IN GENERAL.—The Secretary of the Treas-
18 ury, in consultation with the National Taxpayer Ad-
19 vocate, shall conduct a study on the payment of tax
20 refunds through debit cards or other electronic
21 means to assist individuals that do not have access
22 to financial accounts or institutions.

23 (2) REPORT.—Not later than 1 year after the
24 date of the enactment of this Act, the Secretary of
25 the Treasury shall submit a report to Congress con-

1 taining the result of the study conducted under sub-
2 section (a).

3 **SEC. 8. EXPANDED USE OF TAX COURT PRACTICE FEES**
4 **FOR PRO SE TAXPAYERS.**

5 (a) IN GENERAL.—Section 7475(b) (relating to use
6 of fees) is amended by inserting before the period at the
7 end “and to provide services to pro se taxpayers”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall take effect on the date of the enactment
10 of this Act.

○