

104TH CONGRESS
1ST SESSION

H. R. 2079

To provide amnesty from criminal and civil tax penalties for individuals who, within the 6-month amnesty period, notify the Internal Revenue Service of previous non-payments or underpayments of Federal income tax and pay such underpayments in full.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 1995

Mr. FRISA introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide amnesty from criminal and civil tax penalties for individuals who, within the 6-month amnesty period, notify the Internal Revenue Service of previous non-payments or underpayments of Federal income tax and pay such underpayments in full.

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. WAIVER OF CRIMINAL AND CIVIL PENALTIES.**

4 (a) GENERAL RULE.—Notwithstanding any other
5 provision of law, in the case of any underpayment of Fed-
6 eral income tax by any individual for any taxable year,

1 such individual shall not be liable for any criminal or civil
2 penalty or addition to tax with respect to such
3 underpayment if—

4 (1) during the amnesty period—

5 (A) such individual files a written state-
6 ment with the Secretary which sets forth—

7 (i) the name, address, and taxpayer
8 identification number of the individual,

9 (ii) the amount of the underpayment
10 for the taxable year, and

11 (iii) such information as the Secretary
12 may require for purposes of determining
13 the correct amount of the underpayment
14 for the taxable year, and

15 (B) the individual agrees to a waiver of
16 any restriction on the assessment or collection
17 of such underpayment,

18 (2) when filing the statement described in para-
19 graph (1), the individual pays the amount of the
20 underpayment shown on such statement, and

21 (3) the individual pays the full amount of the
22 interest payable with respect to the underpayment,
23 not later than—

1 (A) 90 days after the date on which the in-
2 dividual is notified by the Secretary of the
3 amount of such interest, or

4 (B) any other date agreed to by the Sec-
5 retary and the individual, if such agreement is
6 reached before the expiration of the 90-day pe-
7 riod referred to in subparagraph (A).

8 The preceding sentence shall apply only to the extent that
9 the underpayment for the taxable year does not exceed the
10 amount set forth on the written statement filed under
11 paragraph (1).

12 (b) AMNESTY NOT TO APPLY IN CERTAIN CASES.—

13 (1) INAPPLICABILITY IF TAXPAYER CONTACTED
14 BEFORE STATEMENT FILED.—Subsection (a) shall
15 not apply to any underpayment of Federal income
16 tax for any taxable year to the extent that before the
17 statement is filed under subsection (a)(1)—

18 (A) such underpayment was assessed,

19 (B) a notice of deficiency with respect to
20 such underpayment was mailed under section
21 6212 of the Internal Revenue Code of 1986 and
22 was received by the taxpayer, or

23 (C) the taxpayer received notification from
24 the Secretary that the Secretary had questions

1 about the taxpayer’s tax liability for the taxable
2 year.

3 (2) INAPPLICABILITY IF FRAUD IN SEEKING
4 AMNESTY OR CRIMINAL INVESTIGATION PENDING.—
5 Subsection (a) shall not apply to any taxpayer if—

6 (A) any representation made by such tax-
7 payer under this section is false or fraudulent
8 in any material respect, or

9 (B) a Justice Department referral (within
10 the meaning of section 7602(c)(2) of the Inter-
11 nal Revenue Code of 1986) is in effect with re-
12 spect to such taxpayer as of the time such tax-
13 payer files a statement under subsection (a)(1).

14 (d) LACK OF PREJUDICE FROM FILING.—With re-
15 spect to any taxable year which is not the subject of a
16 filing by a taxpayer under subsection (a), the Secretary
17 shall not take any action with respect to such taxpayer
18 solely by reason of such filing, unless such taxpayer agrees
19 to such action.

20 (e) DEFINITIONS AND SPECIAL RULES.—For pur-
21 poses of this section—

22 (1) AMNESTY PERIOD.—The term “amnesty pe-
23 riod” means the 6-month period beginning on July
24 1, 1996.

1 (2) FEDERAL INCOME TAX.—The term “Fed-
2 eral income tax” means any tax imposed on an indi-
3 vidual by chapter 1 or 2 of the Internal Revenue
4 Code of 1986.

5 (3) ADDITION TO TAX INCLUDES ADDITIONAL
6 AMOUNT.—The term “addition to tax” includes any
7 additional amount.

8 (5) SECRETARY.—The term “Secretary” means
9 the Secretary of the Treasury or his delegate.

10 (6) FORM OF STATEMENT.—Any statement
11 under subsection (a)(1) shall be filed in such manner
12 and form as the Secretary shall prescribe.

13 (e) UNDERPAYMENTS FOR WHICH AMNESTY AVAIL-
14 ABLE.—The provisions of this section shall apply only to
15 underpayments of Federal income tax for taxable years
16 ending before January 1, 1994.

○