

**DESCRIPTION OF H.R. 997, THE
“NATIONAL TAXPAYER ADVOCATE ENHANCEMENT ACT OF 2025”**

Scheduled for Markup
by the
HOUSE COMMITTEE ON WAYS AND MEANS
on February 12, 2025

Prepared by the Staff
of the
JOINT COMMITTEE ON TAXATION



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INTRODUCTION

The House Committee on Ways and Means has scheduled a committee markup for February 12, 2025, of H.R. 997, the “National Taxpayer Advocate Enhancement Act of 2025.” This document,¹ prepared by the staff of the Joint Committee on Taxation, provides a description of this bill.

¹ This document may be cited as follows: Joint Committee on Taxation, *Description of H.R. 997, the “National Taxpayer Advocate Enhancement Act of 2025”* (JCX-2-25), February 10, 2025. This document can also be found on the Joint Committee on Taxation website at www.jct.gov. All section references in the document are to the Internal Revenue Code of 1986, as amended (the “Code”), unless otherwise stated.

A. Authority of Taxpayer Advocate to Appoint Counsel

Present Law

The Office of the Taxpayer Advocate is expected to represent taxpayer interests independently in disputes with the Internal Revenue Service (“IRS”).²

The Office of the Taxpayer Advocate has four principal functions:³

1. to assist taxpayers in resolving problems with the IRS;
2. to identify areas in which taxpayers have problems in dealing with the IRS;
3. to propose changes in the administrative practices of the IRS to mitigate problems identified in (2); and
4. to identify potential legislative changes which may be appropriate to mitigate such problems.

The National Taxpayer Advocate (“NTA”) supervises and directs the Office of the Taxpayer Advocate. The NTA is appointed by the Secretary of the Treasury (“Secretary”) in consultation with the Commissioner of Internal Revenue (“Commissioner”) and the Oversight Board and reports directly to the Commissioner. The NTA has the responsibility and authority 1) to appoint local taxpayer advocates and make available at least one such advocate for each State, and 2) to evaluate and take personnel actions (including dismissal) with respect to any employee of any local office of a taxpayer advocate.⁴ The NTA may also consult with the appropriate supervisory personnel of the IRS in carrying out the NTA’s responsibilities.⁵ The office is one of several authorized by the Internal Revenue Code and reporting directly to the Commissioner, who is appointed by the President. The Chief Counsel, who serves as the chief law officer for the IRS, is also appointed by the President, and answers to both the Commissioner and the General Counsel for the Secretary.⁶

No law specifically authorizes or forbids the NTA to hire and supervise attorneys.⁷

² Sec. 7803(c).

³ Sec. 7803(c)(2).

⁴ Sec. 7803(c)(2)(D)(i).

⁵ Sec. 7803(c)(2)(D)(ii).

⁶ Secs. 7803(a) (Commissioner of IRS) and 7803(b) (Chief Counsel).

⁷ 31 U.S.C. 301(f) (General Counsel for Department of Treasury). See also, Treasury Department Order 107-04, providing that, with all attorneys in the Treasury Department must work in the Legal Division and report to the General Counsel, with few exceptions. <https://home.treasury.gov/about/general-information/orders-and-directives/treasury-order-107-04>.

Description of Proposal

The proposal specifically authorizes the NTA to appoint counsel in the Office of the Taxpayer Advocate to report directly to the NTA.

Effective Date

The proposal applies as if included in the enactment of section 1102 of the Internal Revenue Service Restructuring and Reform Act of 1998.⁸

⁸ The Internal Revenue Service Restructuring and Reform Act of 1998, Pub. L. No. 105-206, was enacted July 22, 1998.

B. Estimated Revenue Effects of the Proposal

The proposal is estimated to have no effect on Federal fiscal year budget receipts.