

**ESTIMATED BUDGET EFFECTS OF H.R. 3151,
THE "TAXPAYER FIRST ACT,"
SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES ON JUNE 10, 2019**

Fiscal Years 2019 - 2029

[Millions of Dollars]

Provision	Effective	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2019-24	2019-29
I. Putting Taxpayers First														
A. Independent Appeals Process														
1. Establishment of Internal Revenue Service Independent Office of Appeals.....														
	[1]	----- <i>Negligible Revenue Effect</i> -----												
B. Improved Service														
1. Comprehensive customer service strategy.....														
	DOE	----- <i>No Revenue Effect</i> -----												
2. Low-income exception for user fees in connection with offers-in-compromise.....														
	osa DOE	----- <i>No Revenue Effect</i> -----												
C. Sensible Enforcement														
1. Internal Revenue Service seizure requirements with respect to structuring transactions.....														
	DOE	----- <i>Negligible Revenue Effect</i> -----												
2. Exclusion of interest received in action to recover property seized by the Internal Revenue Service based on structuring transaction.....														
	irooa DOE	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
3. Clarification of equitable relief from joint liability.....														
	porfopooa DOE	----- <i>Negligible Revenue Effect</i> -----												
4. Modification of procedures for issuance of third-party summons.....														
	[3]	----- <i>Negligible Revenue Effect</i> -----												
5. Private debt collection and special compliance personnel program [4].....														
	[5]	---	---	-4	-16	-24	-26	-27	-28	-29	-30	-31	-70	-215
6. Reform of notice to contact third parties.....														
	[6]	----- <i>Negligible Revenue Effect</i> -----												
7. Modification of authority to issue designated summons.....														
	sia DOE	----- <i>Negligible Revenue Effect</i> -----												
8. Limitation on access of non-Internal Revenue Service employees to returns and return information.....														
	[7]	----- <i>Negligible Revenue Effect</i> -----												
D. Organizational Modernization														
1. Office of the National Taxpayer Advocate.....														
	[8]	----- <i>No Revenue Effect</i> -----												
2. Modernization of Internal Revenue Service organizational structure.....														
	DOE	----- <i>No Revenue Effect</i> -----												
E. Other Provisions														
1. Return preparation programs for applicable taxpayers.....														
	DOE	----- <i>No Revenue Effect</i> -----												
2. Provision of information regarding low-income taxpayer clinics.....														
	DOE	----- <i>No Revenue Effect</i> -----												

Provision	Effective	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2019-24	2019-29
3. Notice from IRS regarding closure of taxpayer assistance centers.....	DOE	----- <i>No Revenue Effect</i> -----												
4. Rules for seizure and sale of perishable goods restricted to only perishable goods.....	psa DOE	----- <i>Negligible Revenue Effect</i> -----												
5. Whistleblower reforms.....	[9]	----- <i>Negligible Revenue Effect</i> -----												
6. Customer service information.....	DOE	----- <i>No Revenue Effect</i> -----												
7. Misdirected tax refund deposits.....	DOE	----- <i>No Revenue Effect</i> -----												
Total of Putting Taxpayers First.....		[2]	[2]	-4	-16	-24	-26	-27	-28	-29	-30	-31	-70	-216
II. 21st Century IRS														
A. Cyber Security and Identity Protection														
1. Public-private partnership to address identity theft.....	DOE	----- <i>No Revenue Effect</i> -----												
2. Recommendations of Electronic Tax Administration Advisory Committee regarding identity theft refund fraud.....	DOE	----- <i>No Revenue Effect</i> -----												
3. Information sharing and analysis center.....	DOE	----- <i>No Revenue Effect</i> -----												
4. Compliance by contractors with confidentiality safeguards.....	dma 12/31/22	----- <i>No Revenue Effect</i> -----												
5. Identity protection personal identification numbers.....	DOE	----- <i>No Revenue Effect</i> -----												
6. Single point of contact for tax-related identity theft victims...	DOE	----- <i>No Revenue Effect</i> -----												
7. Notification of suspected identity theft.....	[10]	----- <i>No Revenue Effect</i> -----												
8. Guidelines for stolen identity refund fraud cases.....	[11]	----- <i>No Revenue Effect</i> -----												
9. Increased penalty for improper disclosure or use of information by preparers of returns.....	douo/a DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]
B. Development of Information Technology														
1. Management of Internal Revenue Service information technology.....	[13]	----- <i>No Revenue Effect</i> -----												
2. Internet platform for Form 1099 filings.....	DOE	----- <i>No Revenue Effect</i> -----												
3. Streamlined critical pay authority for information technology positions.....	DOE	----- <i>No Revenue Effect</i> -----												
C. Modernization of Consent-Based Income Verification System														
1. Disclosure of taxpayer information for third-party income verification.....	DOE	----- <i>No Revenue Effect</i> -----												
2. Limit redisclosures and uses of consent-based disclosures of tax return information.....	[14]	----- <i>No Revenue Effect</i> -----												
D. Expanded Use of Electronic Systems														
1. Electronic filing of returns [4].....	DOE	---	---	---	5	5	4	4	4	4	4	3	14	33
2. Uniform standards for the use of electronic signatures for disclosure authorizations to, and other authorizations of, practitioners.....	DOE	----- <i>No Revenue Effect</i> -----												
3. Payment of taxes by debit and credit cards.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]
4. Authentication of users of electronic services account.....	180da DOE	----- <i>Negligible Revenue Effect</i> -----												

Provision	Effective	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2019-24	2019-29
E. Other Provisions														
1. Repeal of provision regarding certain tax compliance procedures and reports.....	DOE	----- <i>No Revenue Effect</i> -----												
2. Comprehensive training strategy.....	DOE	----- <i>No Revenue Effect</i> -----												
Total of 21st Century IRS.....		[12]	[12]	[12]	5	5	4	4	4	4	4	3	14	33
III. Miscellaneous Provisions														
A. Reform of Laws Governing Internal Revenue Service Employees														
1. Prohibition on rehiring any employee of the Internal Revenue Service who was involuntarily separated from service for misconduct.....														
	[15]	----- <i>Negligible Revenue Effect</i> -----												
2. Notification of unauthorized inspection or disclosure of returns and return information.....														
	[16]	----- <i>No Revenue Effect</i> -----												
B. Provisions Relating to Exempt Organizations														
1. Mandatory e-filing by exempt organizations.....														
	generally tyba DOE	----- <i>No Revenue Effect</i> -----												
2. Notice required before revocation of tax exempt status for failure to file return.....														
	[17]	----- <i>Negligible Revenue Effect</i> -----												
C. Increase in Penalty for Failure to File.....														
	rrtbfa 12/31/19	---	5	21	22	22	23	24	24	25	26	27	93	219
Total of Miscellaneous Provisions.....		[18]	5	21	22	22	23	24	24	25	26	27	93	219
NET TOTAL		[18]	5	17	11	3	1	1	[18]	[18]	[18]	-1	37	36

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

dma = disclosures made after
 DOE = date of enactment
 douo/a = disclosures or uses on or after
 irooa = interest received on or after

osa = offers submitted after
 porfopooa = petitions or requests filed or pending on or after
 psa = property seized after
 rrtbfa = returns required to be filed after

sia = summonses issued after
 tyba = taxable years beginning after
 180da = 180 days after

[1] Generally effective on date of enactment, except that access to case files applies to conferences occurring after the date that is one year after date of enactment.

[2] Loss of less than \$500,000.

[3] Effective for summonses issued after the date which is 45 days after date of enactment.

[4] Estimate includes the following outlay effects:

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2019-24</u>	<u>2019-29</u>
Private debt collection and special compliance personnel program.....	---	---	-4	-16	-24	-26	-27	-28	-29	-30	-31	-70	-215
Electronic filing of returns.....	---	---	---	-3	-3	-3	-3	-2	-2	-2	-2	-8	-19

[5] Generally effective for tax receivables identified by the Secretary (or the Secretary's delegate) after December 31, 2020. The new maximum length of installment agreements is effective for contracts entered into after date of enactment. The clarification of the use of the special compliance personnel program account is effective for amounts expended after date of enactment.

[6] Effective for notices provided, and contacts of persons made, after the date which is 45 days after the date of the enactment.

[7] The proposal is generally effective on the date of enactment but applies to any contract in effect under Internal Revenue Code section 6103(n), pursuant to certain regulations, that is in effect on the date of enactment.

Footnotes for JCX-24-19 continued:

- [8] The proposal is effective as it relates to salary of the NTA applies to compensation paid to individuals appointed after March 31, 2019.
- [9] The modifications made to the disclosure rules apply to disclosures made after the date of enactment. The protections from retaliation are effective on the date of enactment.
- [10] Effective for determinations made after the date that is 6 months after date of enactment.
- [11] Effective on the date of enactment, with guidelines to be implemented within one year of the date of enactment.
- [12] Gain of less than \$500,000.
- [13] The proposal is generally effective on the date of enactment. Verification and validation of phase 2 of CADE 2 and the Enterprise Management System are to be completed within one year after the date of enactment. Development of plans for subsequent phases of CADE 2 is to be completed within one year after the date of enactment. Verification and validation of plans for subsequent phases of CADE 2 are to be completed within one year after the date on which the plan for such phase was completed.
- [14] Effective for disclosures made after the date which is 180 days after the date of enactment.
- [15] The prohibition applies with respect to the hiring of employees after the date of enactment.
- [16] Effective for determinations proposed after the date which is 180 days after the date of the enactment.
- [17] Effective for failures to file returns or notices for two consecutive years if the return or notice for the second year is required to be filed after December 31, 2019.
- [18] Negligible revenue effect.