

**DESCRIPTION OF ACCEPTED AMENDMENTS TO  
SENATE FINANCE COMMITTEE CHAIRMAN'S MARK RELATING TO  
REFORM AND RESTRUCTURING OF THE INTERNAL REVENUE SERVICE  
AND TAX TECHNICAL CORRECTION PROVISIONS, AS MODIFIED**

The following amendments to the Senate Finance Committee Chairman's Mark Relating to Reform and Restructuring of the Internal Revenue Service and Tax Technical Corrections Provisions, as modified, were adopted by the Committee:

**1. Include employee representative on IRS Oversight Board**

The amendment would include on the IRS Oversight Board one individual who is a representative of an organization that represents a substantial number of Internal Revenue Service employees and who is appointed by the President, with the advice and consent of the Senate.

*Adopted by a roll call vote of 12 ayes to 8 nays.*

In addition, the amendment would provide clarifying language to ensure that the ethics rules will not preclude the employee representative from performing his or her duties as an IRS Oversight Board member.

*Adopted by voice vote.*

**2. Include Secretary of the Treasury on IRS Oversight Board**

The amendment would include the Secretary of Treasury on the IRS Oversight Board.

*Adopted by a roll call vote of 12 ayes to 8 nays.*

**3. State refund offsets**

The amendment would permit States to participate in the IRS refund offset program for past-due, legally enforceable State income tax debts, providing (1) the person making the Federal tax overpayment has shown on the return establishing the overpayment an address that is within the State seeking the tax offset and (2) the State seeking the offset has implemented due process procedures similar to those in the Chairman's Mark. The offset would apply after the offsets provided in present law for internal revenue tax liabilities, past-due support, past-due, legally enforceable obligations owed a Federal agency, and overpayments of Social Security. The offset would occur before the designation of any refund toward future Federal tax liability.

*Adopted by a roll call vote of 14 ayes to 6 nays.*

#### **4. Seizure of principal residence or business as payment option of last resort**

The amendment would require the IRS to exhaust all other payment options before seizing a business or principal residence. The modification would not prohibit the seizure of a business or a principal residence, but would treat such seizure as a payment option of last resort. It is anticipated that the IRS would consider installment agreements, offer-in-compromise, and seizure of other assets of the taxpayer before taking collection action against the taxpayer's business or principal residence.

*Adopted by unanimous consent.*

#### **5. Qualifications of Taxpayer Advocate**

The amendment would provide that, in addition to having a background in customer service and tax law, the Taxpayer Advocate should have experience representing individual taxpayers.

*Adopted by unanimous consent.*