

109TH CONGRESS  
1ST SESSION

# S. 832

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

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## 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

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## 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.

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