

112TH CONGRESS
1ST SESSION

H. R. 1538

To amend the Internal Revenue Code of 1986 to permit the Secretary of the Treasury to disclose certain return information related to identity theft, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2011

Mr. PETRI (for himself, Mr. DONNELLY of Indiana, Mr. CHAFFETZ, Mr. GRIMM, Mr. ALTMIRE, Mr. LONG, Mr. LATHAM, and Mr. JONES) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to permit the Secretary of the Treasury to disclose certain return information related to identity theft, 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.**

4 This Act may be cited as the “Social Security Iden-
5 tity Defense Act of 2011”.

1 **SEC. 2. DISCLOSURE OF CERTAIN RETURN INFORMATION**
2 **WITH RESPECT TO IDENTITY THEFT.**

3 (a) IN GENERAL.—Subsection (l) of section 6103 of
4 the Internal Revenue Code of 1986 is amended by adding
5 at the end the following new paragraph:

6 “(23) DISCLOSURE OF RETURN INFORMATION
7 IN CERTAIN CASES OF IDENTITY THEFT.—

8 “(A) IN GENERAL.—If the Secretary deter-
9 mines that there is a substantial likelihood that
10 there has been a fraudulent use of a social se-
11 curity account number on a statement described
12 in section 6051—

13 “(i) the Secretary shall disclose to the
14 holder of such social security account num-
15 ber—

16 “(I) that the Secretary has rea-
17 son to believe that the social security
18 account number of such individual has
19 been fraudulently used in the employ-
20 ment context,

21 “(II) that the Secretary has
22 made the disclosure described in
23 clause (ii) to the Director of the Fed-
24 eral Bureau of Investigation with re-
25 spect to such fraudulent use, and

1 “(III) such other information
2 (other than return information) as the
3 Secretary determines, in consultation
4 with Federal Trade Commission,
5 would be helpful and appropriate to
6 provide to a victim of identity theft,
7 and

8 “(ii) the Secretary shall disclose to the
9 Director of the Federal Bureau of Inves-
10 tigation—

11 “(I) such social security account
12 number,

13 “(II) that the Secretary has rea-
14 son to believe that such social security
15 account number has been fraudulently
16 used in the employment context, and

17 “(III) the taxpayer identity infor-
18 mation of the holder of such social se-
19 curity account number, the individual
20 believed to have fraudulently used
21 such social security account number,
22 and the employer who made the state-
23 ment described in section 6051 which
24 included such social security account
25 number.

1 “(B) RESTRICTION ON DISCLOSURE TO
2 LAW ENFORCEMENT.—

3 “(i) DISCLOSURE TO OTHER LAW EN-
4 FORCEMENT OFFICIALS.—The Director of
5 the Federal Bureau of Investigation may
6 disclose information received under sub-
7 paragraph (A)(ii) to appropriate Federal,
8 State, and local law enforcement officials.

9 “(ii) RESTRICTION ON USE OF DIS-
10 CLOSED INFORMATION.—Return informa-
11 tion disclosed under subparagraph (A)(ii)
12 may be used by Federal, State, and local
13 law enforcement officials only for purposes
14 of carrying out criminal investigations or
15 prosecutions.”.

16 (b) PREVENTION OF USE OF W-2 STATEMENTS TO
17 CARRYOUT IDENTITY THEFT.—Section 6051 of such
18 Code is amended by adding at the end the following new
19 subsection:

20 “(g) PREVENTION OF IDENTITY THEFT.—Except as
21 otherwise provided by the Secretary, if an employer is no-
22 tified by the Secretary with respect to any employee that
23 the Secretary has reason to believe that the social security
24 account number included on the statement described in
25 subsection (a) with respect to such employee is not the

1 social security account number of such employee, such em-
2 ployer—

3 “(1) shall cease to include such social security
4 account number on statements provided to the em-
5 ployee under subsection (a), but

6 “(2) shall continue to include such social secu-
7 rity account number on duplicates of such state-
8 ments provided to the Secretary under subsection
9 (d).”.

10 (c) CONFORMING AMENDMENTS RELATED TO DIS-
11 CLOSURE.—

12 (1) CONFIDENTIALITY.—Paragraph (3) of sec-
13 tion 6103(a) of such Code is amended by striking
14 “or (21)” and inserting “(21), or (23)”.

15 (2) PROCEDURES AND RECORDKEEPING RE-
16 LATED TO DISCLOSURES.—Paragraph (4) of section
17 6103(p) of such Code is amended by striking “or
18 (20)” each place it appears and inserting “(20), or
19 (23)”.

20 (3) UNAUTHORIZED DISCLOSURE OR INSPEC-
21 TION.—Paragraph (2) of section 7213(a) of such
22 Code is amended by striking “or (21)” and inserting
23 “(21), or (23)”.

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