

119TH CONGRESS
2D SESSION

H. R. 6956

AN ACT

To require electronically prepared tax returns to include scannable code when submitted on paper, and to require the use of optical character recognition technology for paper documents received by the Internal Revenue Service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Barcode Automation
3 for Revenue Collection to Organize Disbursement and En-
4 hance Efficiency Act” or the “BARCODE Efficiency
5 Act”.

6 **SEC. 2. SCANNING AND DIGITIZATION OF TAX RETURNS**
7 **AND CORRESPONDENCE.**

8 (a) RETURNS PREPARED ELECTRONICALLY AND
9 SUBMITTED ON PAPER.—With respect to any Federal tax
10 return which is prepared electronically, but is printed and
11 filed on paper—

12 (1) such return shall be formatted in a manner
13 that is compatible with the scanning technology re-
14 ferred to in paragraph (2), and

15 (2) subject to subsection (b)(1)(B), the Internal
16 Revenue Service shall use scanning technology to
17 convert the data included in such return to elec-
18 tronic format.

19 (b) OPTICAL CHARACTER RECOGNITION SOFT-
20 WARE.—With respect to—

21 (1) any Federal tax return which—

22 (A) is not prepared electronically and is
23 printed and filed on paper, or

24 (B) is described in subsection (a)(1) but,
25 for any reason, the data included in such return

1 cannot be accurately converted into electronic
2 format, or

3 (2) any correspondence which is received by the
4 Internal Revenue Service in a paper form (with the
5 exception of any such correspondence which has
6 been received by the Internal Revenue Service in
7 electronic format),
8 the Internal Revenue Service shall use optical character
9 recognition technology (or any functionally similar tech-
10 nology) to transcribe such return or correspondence.

11 (c) EXCEPTION.—

12 (1) IN GENERAL.—Subsection (a) or (b) shall
13 not apply to the extent that the Secretary of the
14 Treasury or the Secretary's delegate determines that
15 the technology described in such subsection is slower
16 or less reliable than—

17 (A) the process of manually transcribing
18 returns or correspondence received in a paper
19 form, or

20 (B) any other process that the Internal
21 Revenue Service is using or would otherwise
22 use.

23 (2) REPORT TO CONGRESS.—Any exception to
24 the application of subsection (a) or (b) pursuant to
25 paragraph (1) shall not take effect unless the Sec-

1 retary provides a report to the Committee on Ways
2 and Means of the House of Representatives and the
3 Committee on Finance of the Senate regarding the
4 determination made under such paragraph within 30
5 days of such determination.

6 (d) EFFECTIVE DATE.—This section shall apply to—

7 (1) any individual income tax return (as defined
8 in section 6011(e)(3)(C) of the Internal Revenue
9 Code of 1986) received on or after January 1 of the
10 first calendar year beginning more than 180 days
11 after the date of enactment of this Act,

12 (2) any estate tax return (as described in sec-
13 tion 6018 of such Code) or gift tax return (as de-
14 scribed in section 6019 of such Code) received on or
15 after January 1 of the first calendar year beginning
16 more than 24 months after the date of enactment of
17 this Act, and

18 (3) any other return or correspondence received
19 on or after January 1 of the first calendar year be-

- 1 ginning more than 18 months after the date of en-
- 2 actment of this Act.

Passed the House of Representatives April 27, 2026.

Attest:

Clerk.

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