

119TH CONGRESS  
2D SESSION

# H. R. 7646

To direct the Secretary of the United States Department of the Treasury to refund American consumers for increased costs resulting from tariffs imposed without congressional authorization, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 2026

Ms. CROCKETT introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To direct the Secretary of the United States Department of the Treasury to refund American consumers for increased costs resulting from tariffs imposed without congressional authorization, 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 “Payback Act”.

5       **SEC. 2. CONGRESSIONAL FINDINGS.**

6       Congress finds the following:

7               (1) In *Learning Resources, Inc. v. Trump*, the  
8       Supreme Court of the United States clarified that

1        although the International Emergency Economic  
2        Powers Act authorizes the President to exercise cer-  
3        tain economic authorities during a bona fide national  
4        emergency, that statute does not confer authority to  
5        impose tariffs absent clear and express congressional  
6        authorization; in so holding, the Court reaffirmed  
7        that article I, section 8 of the Constitution vests ex-  
8        clusively in Congress the power to lay and collect du-  
9        ties and tariffs, and that such legislative authority  
10       may not be exercised by the executive branch solely  
11       by virtue of an emergency declaration.

12            (2) The Constitution establishes a deliberate  
13       separation of powers, vesting in Congress alone the  
14       authority to lay and collect taxes, duties, imposts,  
15       and excises under article I, section 8; allowing the  
16       executive branch to unilaterally impose tariffs absent  
17       explicit congressional authorization would improperly  
18       transfer core legislative power to the Presidency,  
19       erode democratic accountability, and undermine the  
20       foundational principle that laws affecting the eco-  
21       nomic lives of Americans must originate with the  
22       people's elected representatives.

23            (3) These unlawful tariffs resulted in billions of  
24       dollars in collections by the Federal Government and  
25       materially increased the prices of goods for Amer-

1        ican consumers, functioning as a regressive tax that  
2        disproportionately burdened working families, sen-  
3        iors, and small businesses.

4            (4) American consumers bore the direct finan-  
5        cial consequences of these actions through higher  
6        costs on everyday necessities, without meaningful  
7        notice, representation, or recourse, and shall be  
8        made whole through a transparent and congression-  
9        ally directed refund process administered by the  
10       Federal Government.

11 **SEC. 3. DEFINITIONS.**

12        In this Act:

13            (1) COVERED TARIFFS.—The term “covered  
14        tariffs” means any duties or fees imposed pursuant  
15        to Presidential proclamations or Executive orders  
16        under the International Emergency Economic Pow-  
17        ers Act that were subsequently determined to lack  
18        congressional authorization.

19 **SEC. 4. ESTABLISHMENT OF CONSUMER REFUND FOR-**  
20 **MULA.**

21        (a) Not later than 120 days after enactment of this  
22        Act, the Secretary of the Treasury shall develop and pub-  
23        lish a formula to calculate refunds to American consumers  
24        for amounts paid that were attributable to covered tariffs.

25        (b) The refund formula shall—

1           (1) quantify total consumer cost increases tied  
2           to covered tariffs using data from U.S. Customs and  
3           Border Protection, the Bureau of Economic Anal-  
4           ysis, and other relevant Federal datasets;

5           (2) estimate pass-through effects from import-  
6           ers, distributors, and retailers to end consumers; and

7           (3) incorporate equitable adjustments based on  
8           household income and geographic disparities.

9           (c) CONSULTATION.—In developing the formula, the  
10          Secretary shall consult with the Bureau of Economic Anal-  
11          ysis, the Internal Revenue Service, the Federal Reserve  
12          Board, and independent economists with expertise in trade  
13          policy and consumer pricing.

14       **SEC. 5. DISTRIBUTION OF REFUNDS.**

15          (a) To the maximum extent practicable, refunds shall  
16          be issued automatically using existing Treasury and Inter-  
17          nal Revenue Service payment systems, including direct de-  
18          posit or refundable tax credits.

19          (b) For individuals not captured through existing sys-  
20          tems, the Secretary shall establish a streamlined applica-  
21          tion process requiring minimal documentation.

22       **SEC. 6. REPORT TO CONGRESS AND OVERSIGHT.**

23          Not later than 180 days after enactment, the Sec-  
24          retary shall submit a report to Congress detailing the fi-  
25          nalized refund formula, total anticipated refund obliga-

1 tions, and projected distribution timelines. The Govern-  
2 ment Accountability Office shall review the implementa-  
3 tion of this Act and submit findings to Congress not later  
4 than one year after refunds commence.

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