

119TH CONGRESS  
2D SESSION

# H. R. 7959

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IN THE SENATE OF THE UNITED STATES

APRIL 28, 2026

Received; read twice and referred to the Committee on Finance

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## AN ACT

To amend the Internal Revenue Code of 1986 to make improvements with respect to the treatment of whistle-blowers, 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,*

1 **SECTION 1. SHORT TITLE; ETC.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “IRS Whistleblower Program Improvement Act”.

4 (b) AMENDMENT OF 1986 CODE.—Except as other-  
5 wise expressly provided, whenever in this Act an amend-  
6 ment is expressed in terms of an amendment to a section  
7 or other provision, the reference shall be considered to be  
8 made to a section or other provision of the Internal Rev-  
9 enue Code of 1986.

10 (c) REFERENCES TO SECRETARY.—For purposes of  
11 this Act, the term “Secretary” means the Secretary of the  
12 Treasury or the Secretary’s delegate.

13 (d) TABLE OF CONTENTS.—The table of contents of  
14 this Act is as follows:

- Sec. 1. Short title; etc.
- Sec. 2. Standard and scope of review of whistleblower award determinations.
- Sec. 3. Whistleblower privacy protections.
- Sec. 4. Modification of IRS whistleblower report.
- Sec. 5. Interest on whistleblower awards.
- Sec. 6. Correction regarding deductions for attorney’s fees.

15 **SEC. 2. STANDARD AND SCOPE OF REVIEW OF WHISTLE-**  
16 **BLOWER AWARD DETERMINATIONS.**

17 (a) IN GENERAL.—Paragraph (4) of section 7623(b)  
18 is amended—

19 (1) by striking “appealed to” and inserting “re-  
20 viewed by”, and

21 (2) by adding at the end the following: “Any re-  
22 view by the Tax Court under the preceding sentence

1 shall be de novo and shall be based on the adminis-  
2 trative record established at the time of the original  
3 determination and any additional newly discovered  
4 or previously unavailable evidence.”.

5 (b) CONFORMING AMENDMENT.—The heading of  
6 paragraph (4) of section 7623(b) is amended by striking  
7 “APPEAL” and inserting “REVIEW”.

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to petitions under section  
10 7623(b)(4) of the Internal Revenue Code of 1986 which  
11 are pending on, or filed on or after, the date of the enact-  
12 ment of this Act.

13 **SEC. 3. WHISTLEBLOWER PRIVACY PROTECTIONS.**

14 (a) IN GENERAL.—Paragraph (6) of section 7623(b)  
15 is amended by adding at the end the following new sub-  
16 paragraph:

17 “(D) WHISTLEBLOWER ANONYMITY BE-  
18 FORE THE TAX COURT.—Notwithstanding sec-  
19 tions 7458 and 7461, a whistleblower may elect  
20 to proceed anonymously before the Tax Court  
21 for all proceedings under this section absent a  
22 finding by the Tax Court that a societal inter-  
23 est exists for disclosing the whistleblower’s iden-  
24 tity which exceeds the potential harm disclosure  
25 could cause to the whistleblower.”.

1 (b) EFFECTIVE DATE.—The amendments made by  
 2 this section shall apply to petitions under section  
 3 7623(b)(4) of the Internal Revenue Code of 1986 which  
 4 are pending on, or filed on or after, the date of the enact-  
 5 ment of this Act.

6 **SEC. 4. MODIFICATION OF IRS WHISTLEBLOWER REPORT.**

7 (a) IN GENERAL.—Section 406(c) of division A of the  
 8 Tax Relief and Health Care Act of 2006 is amended by  
 9 striking “such use,” in paragraph (1) and inserting “such  
 10 use (which shall include a list and descriptions of the top  
 11 tax avoidance schemes, not to exceed 10, disclosed by  
 12 whistleblowers during such year),”.

13 (b) EFFECTIVE DATE.— The amendments made by  
 14 this section shall apply to reports for fiscal years ending  
 15 after the enactment of this Act.

16 **SEC. 5. INTEREST ON WHISTLEBLOWER AWARDS.**

17 (a) IN GENERAL.—Section 7623(b) is amended by  
 18 adding at the end the following new paragraph:

19 “(7) INTEREST.—

20 “(A) IN GENERAL.—If the Secretary has  
 21 not provided notice to an individual described in  
 22 paragraph (1) of a preliminary award rec-  
 23 ommendation before the applicable date, the  
 24 amount of any award under this subsection

1 shall include interest from such date at the  
2 overpayment rate under section 6621(a).

3 “(B) EXCEPTION.—No interest shall ac-  
4 crue under this paragraph after the date on  
5 which the Secretary provides notice to the indi-  
6 vidual of a preliminary award recommendation.

7 “(C) APPLICABLE DATE.—For purposes of  
8 this paragraph, the applicable date is the date  
9 that is 12 months after the first date on  
10 which—

11 “(i) all of the proceeds resulting from  
12 actions subject to the award recommenda-  
13 tion have been collected, and

14 “(ii) either—

15 “(I) the statutory period for fil-  
16 ing a claim or suit for refund has ex-  
17 pired, or

18 “(II) the taxpayers subject to the  
19 actions and the Secretary have agreed  
20 with finality to the tax or other liabil-  
21 ities for the periods at issue, and ei-  
22 ther the taxpayers have waived the  
23 right to file a claim or suit for refund  
24 or any claim or suit for refund has  
25 been resolved.”.

1 (b) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by  
3 this section shall take effect 180 days after the date  
4 of the enactment of this Act.

5 (2) SPECIAL RULE.—If, as of the date de-  
6 scribed in paragraph (1)—

7 (A) the Secretary has not provided notice  
8 to the individual of a preliminary award rec-  
9 ommendation as described in paragraph (7)(A)  
10 of section 7623(b) of the Internal Revenue  
11 Code of 1986, as added by this Act, and

12 (B) the applicable date provided in para-  
13 graph (7)(C) of such section, as so added, has  
14 passed,

15 the applicable date for purposes of such paragraph  
16 (7)(C) is the date that is 12 months after the date  
17 described in paragraph (1).

18 **SEC. 6. CORRECTION REGARDING DEDUCTIONS FOR AT-**  
19 **TORNEY'S FEES.**

20 (a) IN GENERAL.—Section 62(a)(21)(A)(i) is amend-  
21 ed by striking “7623(b)” and inserting “7623”.

1       (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years ending after the  
3 date of the enactment of this Act.

Passed the House of Representatives April 27, 2026.

Attest:                   KEVIN F. MCCUMBER,  
*Clerk.*