

119TH CONGRESS
2D SESSION

H. R. 9496

AN ACT

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, 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.**

2 This Act may be cited as the “End Tax Penalties
3 on American Hostages Act”.

4 **SEC. 2. POSTPONEMENT OF TAX DEADLINES FOR HOS-**
5 **TAGES AND INDIVIDUALS WRONGFULLY DE-**
6 **TAINED ABROAD.**

7 (a) IN GENERAL.—Chapter 77 of the Internal Rev-
8 enue Code of 1986 is amended by inserting after section
9 7510 the following new section:

10 **“SEC. 7511. TIME FOR PERFORMING CERTAIN ACTS POST-**
11 **PONED FOR HOSTAGES AND INDIVIDUALS**
12 **WRONGFULLY DETAINED ABROAD.**

13 “(a) TIME TO BE DISREGARDED.—

14 “(1) IN GENERAL.—The period during which
15 an applicable individual was unlawfully or wrongfully
16 detained abroad, or held hostage abroad, shall be
17 disregarded in determining, under the internal rev-
18 enue laws, in respect of any tax liability of such indi-
19 vidual—

20 “(A) whether any of the acts described in
21 section 7508(a)(1) were performed within the
22 time prescribed thereof (determined without re-
23 gard to extension under any other provision of
24 this subtitle for periods after the initial date (as
25 determined by the Secretary) on which such in-

1 dividual was unlawfully or wrongfully detained
2 abroad or held hostage abroad),

3 “(B) the amount of any interest, penalty,
4 additional amount, or addition to the tax for
5 periods after such date, and

6 “(C) the amount of any credit or refund.

7 “(2) APPLICATION TO SPOUSE.—The provisions
8 of paragraph (1) shall apply to the spouse of any in-
9 dividual entitled to the benefits of such paragraph.

10 “(b) APPLICABLE INDIVIDUAL.—

11 “(1) IN GENERAL.—For purposes of this sec-
12 tion, the term ‘applicable individual’ means any indi-
13 vidual who is—

14 “(A) a United States national unlawfully
15 or wrongfully detained abroad, as determined
16 under section 302 of the Robert Levinson Hos-
17 tage Recovery and Hostage-Taking Account-
18 ability Act (22 U.S.C. 1741), or

19 “(B) a United States national taken hos-
20 tage abroad, as determined pursuant to the
21 findings of the Hostage Recovery Fusion Cell
22 (as described in section 304 of the Robert
23 Levinson Hostage Recovery and Hostage-Tak-
24 ing Accountability Act (22 U.S.C. 1741b)).

1 “(2) INFORMATION PROVIDED TO TREASURY.—

2 For purposes of identifying individuals described in
3 paragraph (1), not later than January 1, 2027, and
4 annually thereafter—

5 “(A) the Secretary of State shall provide
6 the Secretary with a list of the individuals de-
7 scribed in paragraph (1)(A), as well as any
8 other information necessary to identify such in-
9 dividuals, and

10 “(B) the Attorney General, acting through
11 the Hostage Recovery Fusion Cell, shall provide
12 the Secretary with a list of the individuals de-
13 scribed in paragraph (1)(B), as well as any
14 other information necessary to identify such in-
15 dividuals.

16 “(c) SPECIAL RULE FOR OVERPAYMENTS.—

17 “(1) IN GENERAL.—Subsection (a) shall not
18 apply for purposes of determining the amount of in-
19 terest on any overpayment of tax.

20 “(2) SPECIAL RULES.—If an individual is enti-
21 tled to the benefits of subsection (a) with respect to
22 any return and such return is timely filed (deter-
23 mined after the application of such subsection), sub-
24 sections (b)(3) and (e) of section 6611 shall not
25 apply.

1 “(d) MODIFICATION OF TREASURY DATABASES AND
2 INFORMATION SYSTEMS.—The Secretary shall ensure that
3 databases and information systems of the Department of
4 the Treasury are updated as necessary to ensure that stat-
5 ute expiration dates, interest and penalty accrual, and col-
6 lection activities are suspended consistent with the appli-
7 cation of subsection (a).

8 “(e) REFUND AND ABATEMENT OF PENALTIES AND
9 FINES IMPOSED PRIOR TO IDENTIFICATION AS APPLICA-
10 BLE INDIVIDUAL.—In the case of any applicable indi-
11 vidual—

12 “(1) for whom any interest, penalty, additional
13 amount, or addition to the tax in respect to any tax
14 liability for any taxable year ending during the pe-
15 riod described in subsection (a)(1) was assessed or
16 collected, and

17 “(2) who was, subsequent to such assessment
18 or collection, determined to be an individual de-
19 scribed in subparagraph (A) or (B) of subsection
20 (b)(1),

21 the Secretary shall abate any such assessment and refund
22 any amount collected to such applicable individual in the
23 same manner as any refund of an overpayment of tax
24 under section 6402.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 for chapter 77 of such Code is amended by inserting after
 3 the item relating to section 7510 the following new item:

“Sec. 7511. Time for performing certain acts postponed for hostages and individuals wrongfully detained abroad.”.

4 (c) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply to taxable years ending after the
 6 date of the enactment of this Act.

7 **SEC. 3. REFUND AND ABATEMENT OF PENALTIES AND**
 8 **FINES PAID BY ELIGIBLE INDIVIDUALS.**

9 (a) IN GENERAL.—Section 7511 of the Internal Rev-
 10 enue Code of 1986, as added by section 2, is amended
 11 by adding at the end the following new subsection:

12 “(f) REFUND AND ABATEMENT OF PENALTIES AND
 13 FINES PAID BY ELIGIBLE INDIVIDUALS WITH RESPECT
 14 TO PERIODS PRIOR TO DATE OF ENACTMENT OF THIS
 15 SECTION.—

16 “(1) IN GENERAL.—

17 “(A) ESTABLISHMENT.—Not later than
 18 January 1, 2027, the Secretary (in consultation
 19 with the Secretary of State and the Attorney
 20 General) shall establish a program to allow any
 21 eligible individual (or the spouse or any depend-
 22 ent (as defined in section 152) of such indi-
 23 vidual) to apply for a refund or an abatement
 24 of any amount described in paragraph (2) (in-

cluding interest) to the extent such amount was attributable to the applicable period.

“(B) IDENTIFICATION OF INDIVIDUALS.—

Not later than January 1, 2027, the Secretary of State and the Attorney General, acting through the Hostage Recovery Fusion Cell (as described in section 304 of the Robert Levinson Hostage Recovery and Hostage-Taking Accountability Act (22 U.S.C. 1741b)), shall—

“(i) compile a list, based on such information as is available, of individuals who were eligible individuals during the applicable period, and

“(ii) provide the list described in clause (i) to the Secretary.

“(C) NOTICE.—For purposes of carrying out the program described in subparagraph (A), the Secretary (in consultation with the Secretary of State and the Attorney General) shall, with respect to any individual identified under subparagraph (B), provide notice to such individual—

“(i) in the case of an individual who has been released on or before the date of the enactment of this subsection, not later

1 than 90 days after the date of the enact-
2 ment of this subsection, or

3 “(ii) in the case of an individual who
4 is released after the date of the enactment
5 of this subsection, not later than 90 days
6 after the date on which such individual is
7 released,

8 that such individual may be eligible for a refund
9 or an abatement of any amount described in
10 paragraph (2) pursuant to the program de-
11 scribed in subparagraph (A).

12 “(D) AUTHORIZATION.—

13 “(i) IN GENERAL.—Subject to clause
14 (ii), in the case of any refund described in
15 subparagraph (A), the Secretary shall
16 issue such refund to the eligible individual
17 in the same manner as any refund of an
18 overpayment of tax.

19 “(ii) EXTENSION OF LIMITATION ON
20 TIME FOR REFUND.—With respect to any
21 refund under subparagraph (A)—

22 “(I) the 3-year period of limita-
23 tion prescribed by section 6511(a)
24 shall be extended until the end of the
25 1-year period beginning on the date

1 that the notice described in subpara-
2 graph (C) is provided to the eligible
3 individual, and

4 “(II) any limitation under section
5 6511(b)(2) shall not apply.

6 “(2) ELIGIBLE INDIVIDUAL.—For purposes of
7 this subsection, the term ‘eligible individual’ means
8 any applicable individual who, for any taxable year
9 ending during the applicable period, paid or incurred
10 any interest, penalty, additional amount, or addition
11 to the tax in respect to any tax liability for such
12 year of such individual based on a determination
13 that an act described in section 7508(a)(1) was not
14 performed by the time prescribed therefor (without
15 regard to any extensions).

16 “(3) APPLICABLE PERIOD.—For purposes of
17 this subsection, the term ‘applicable period’ means
18 the period—

19 “(A) beginning on January 1, 2021, and

20 “(B) ending on the date of the enactment
21 of this subsection.”.

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

Passed the House of Representatives September 15,
2026.

Attest:

Clerk.

119TH CONGRESS
2^D SESSION

H. R. 9496

AN ACT

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, and for other purposes.