II

119TH CONGRESS
2D SESSION

S. 5073

To require the Secretary of the Treasury to submit fraud prevention reports and annual analyses of sources of tax law complexity.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2026

Mr. LUJÁN (for himself and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To require the Secretary of the Treasury to submit fraud prevention reports and annual analyses of sources of tax law complexity.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tax Complexity and Fraud Prevention Review Act''.

SEC. 2. REPORTS TO CONGRESS.

(a) FRAUD.—

(1) IN GENERAL.—Not later than the date which is 12 months after the date of enactment of this Act, and annually thereafter, the Secretary shall

provide a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate regarding efforts made by the Internal Revenue Service to identify, prevent, and resolve each type of tax fraud, including first-person fraud and stolen identity refund fraud.

(2) INFORMATION INCLUDED IN REPORT.—The report described in paragraph (1) shall include—

(A) a detailed description, timeline, and analysis of any efforts undertaken by the Internal Revenue Service and any of the other members of the Security Summit during the most recent tax filing season to address and prevent each type of tax fraud, including—

(i) any specific information or guidelines provided by the Internal Revenue Service to any of the other members of the Security Summit (and vice versa) with respect to tax fraud, including—

(I) any ‘‘be on the lookout’’ alerts or other warnings,

(II) updated guidelines or restrictions,

(III) potential threat analyses,

(IV) specific data or analytics, and

(V) any other actionable threat information, and

(ii) any specific recommendations provided by the Internal Revenue Service to any of the other members of the Security Summit (and vice versa) with respect to identifying, preventing, and resolving tax fraud, including any potential improvements to data, analytics, information sharing, and collaboration between the Internal Revenue Service and other members of the Security Summit,

(B) a detailed description and timeline of any interactions between the Internal Revenue Service and any provider of tax filing options which does not participate in the Security Summit, including—

(i) any specific information or guidelines provided by the Internal Revenue Service to such provider (and vice versa) with respect to each type of tax fraud, including any items described in subclauses

(I) through (V) of subparagraph (A)(i), and

(ii) any specific recommendations provided by the Internal Revenue Service to such provider (and vice versa) with respect to identifying, preventing, and resolving tax fraud, including any potential improvements to data, analytics, information sharing, and collaboration between the Internal Revenue Service and such provider, and

(C) with respect to the most recently completed tax filing season—

(i) with respect to each specific type or form of tax fraud that has been identified by the Internal Revenue Service, any relevant data and analysis regarding the amount of such fraud during such tax filing season, including detailed numerical data regarding such fraud in relation to each separate Federal tax return form (including any amended returns) and the manner in which such returns were filed, and

(ii) the total dollar amount of fraudulent claims for refund—

(I) for which any disbursement was erroneously made, and

(II) which were identified and disallowed prior to any disbursement being made.

(3) PUBLICLY AVAILABLE.—Data included in the report described in paragraph (1) shall be made available on the public website of the Internal Revenue Service, provided that such data is appropriately redacted by the Secretary.

(b) COMPLEXITY REPORT.—For purposes of section 4022 of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7801 note), the submission of the report required under section 7803(c)(2)(B) of the Internal Revenue Code of 1986 shall not satisfy the requirement under subsection (a) of section 4022 of such Act to conduct an analysis of the sources of complexity in administration of the Federal tax laws and report the results of such analysis.

(c) REFERENCE TO SECRETARY.—For purposes of this Act, the term ''Secretary'' means the Secretary of the Treasury or the Secretary's delegate.

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