

106TH CONGRESS  
1ST SESSION

# H. R. 1153

To amend the Internal Revenue Code of 1986 to provide that a taxpayer may request a receipt for an income tax payment which itemizes the portion of the payment which is allocable to various Government spending categories.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 1999

Mr. COOK introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide that a taxpayer may request a receipt for an income tax payment which itemizes the portion of the payment which is allocable to various Government spending categories.

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 “Taxpayer Right-To-  
5       Know Act of 1999”.

6       **SEC. 2. FINDINGS AND PURPOSES.**

7       (a) FINDINGS.—The Congress finds the following:

1           (1) Individual incomes taxes amount to one of  
2           the greatest annual expenses for many Americans.

3           (2) There is a great deal of uncertainty on the  
4           part of taxpayers concerning where and how their  
5           income tax dollars are spent.

6           (3) Taxpayers do not receive any acknowledg-  
7           ment of payment from the Internal Revenue Service  
8           nor any explanation itemizing how their tax pay-  
9           ments are spent.

10          (4) There presently exists no straightforward  
11          way for a taxpayer to determine exactly how much  
12          he or she paid for specific governmental activities.

13          (5) The failure to provide taxpayers with an  
14          itemized listing showing how their tax dollars are  
15          spent contributes to a lack of knowledge about the  
16          Government and subsequently to a less informed  
17          electorate.

18          (6) The Internal Revenue Service must update  
19          its technology and treat taxpayer information as a  
20          strategic asset to improve customer service.

21          (7) Taxpayer education by the Internal Revenue  
22          Service aimed at showing taxpayers how their tax  
23          dollars are spent leads to increased compliance.

24          (b) PURPOSES.—The purposes of this Act are as fol-  
25          lows:

1           (1) To educate individual income tax filers  
 2           about how much they contribute annually, in actual  
 3           dollars and cents, to various governmental programs,  
 4           projects, and activities.

5           (2) To improve the public’s understanding of  
 6           the Federal Government.

7           (3) To enhance the public’s level of satisfaction  
 8           with the Internal Revenue Service.

9   **SEC. 3. ITEMIZED INCOME TAX RECEIPT.**

10       (a) IN GENERAL.—Chapter 77 of the Internal Rev-  
 11       enue Code of 1986 (relating to miscellaneous provisions)  
 12       is amended by adding at the end the following new section:

13   **“SEC. 7527. TAXPAYER REQUEST FOR INCOME TAX RE-**  
 14       **CEIPT.**

15       “(a) IN GENERAL.—At the request of any taxpayer  
 16       who files an individual income tax return, the Secretary  
 17       shall send to such taxpayer an itemized receipt showing  
 18       a proportionate allocation (in money terms) of the tax-  
 19       payer’s total tax payments among the major outlay cat-  
 20       egories.

21       “(b) TOTAL TAX PAYMENTS.—For purposes of sub-  
 22       section (a), total tax payments of an individual for any  
 23       taxable year are—

24               “(1) the tax imposed by subtitle A for such tax-  
 25       able year (as shown on his return), and

1           “(2) the tax imposed by section 3101 on wages  
2       received during such taxable year.

3       “(c) CONTENT OF TAX RECEIPT.—

4           “(1) MAJOR OUTLAY CATEGORIES.—For pur-  
5       poses of subsection (a), the major outlay categories  
6       are the categories for which separate percentages of  
7       total outlays are required to be set forth by section  
8       7523(b).

9           “(2) OTHER ITEMS ON RECEIPT.—In addition,  
10      the tax receipt shall include selected examples of  
11      more specific expenditure items, either at the budget  
12      function, subfunction, or program, project, or activ-  
13      ity levels, along with any other information deemed  
14      appropriate by the Secretary and the Director of the  
15      Office of Management and Budget to enhance tax-  
16      payer understanding of the Federal budget.

17      “(d) MANNER AND TIME OF REQUEST.—A request  
18      for a tax receipt as described in subsection (c) shall be  
19      made with respect to any taxable year at the time of filing  
20      the return imposed by chapter 1 for such taxable year.  
21      A receipt shall be made available to a requesting taxpayer  
22      as soon as practicable upon the processing of that tax-  
23      payer’s Federal income tax return by the Internal Revenue  
24      Service.

1       “(e) USE OF NEW TECHNOLOGIES.—The Internal  
2 Revenue Service is encouraged to utilize modern tech-  
3 nologies such as electronic mail and the Internet to mini-  
4 mize the cost of sending receipts to taxpayers. The Inter-  
5 nal Revenue Service shall establish an interactive program  
6 on its Internet website to allow taxpayers to generate in-  
7 come tax receipts on their own.

8       “(f) COST.—No charge shall be imposed to cover any  
9 cost associated with the production or distribution of the  
10 tax receipt.

11       “(g) REGULATIONS.—The Secretary may prescribe  
12 such regulations as may be necessary to carry out this  
13 section.”.

14       (b) CLERICAL AMENDMENT.—The table of sections  
15 for chapter 77 of such Code is amended by adding at the  
16 end the following new item:

“Sec. 7527. Taxpayer request for income tax receipt.”

17       (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 December 31, 1999.

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