

107TH CONGRESS
2D SESSION

H. R. 3905

To amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to provide a one-time abatement of interest on an underpayment or nonpayment of income tax for reasonable cause.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2002

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

A BILL

To amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to provide a one-time abatement of interest on an underpayment or nonpayment of income tax for reasonable cause.

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. ONE-TIME ABATEMENT OF INTEREST ON UN-**
4 **DERPAYMENT OR NONPAYMENT OF INCOME**
5 **TAX FOR REASONABLE CAUSE.**

6 (a) IN GENERAL.—Section 6404 of the Internal Rev-
7 enue Code of 1986 (relating to abatements) is amended

1 by redesignating subsection (i) as subsection (j) and by
2 inserting after subsection (h) the following new subsection:

3 “(i) ABATEMENT OF INTEREST FOR INDIVIDUALS ON
4 UNDERPAYMENT, NONPAYMENT, OR EXTENSION OF TIME
5 FOR PAYMENT, OF INCOME TAX.—

6 “(1) IN GENERAL.—In the case of an indi-
7 vidual, the Secretary may abate any interest pre-
8 scribed under section 6601 on income tax with re-
9 spect to a taxpayer for reasonable cause.

10 “(2) LIMITATION.—An abatement under this
11 subsection may be made only once with respect to
12 the same taxpayer.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to taxable years beginning after
15 December 31, 2002.

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