

110TH CONGRESS
1ST SESSION

H. R. 3457

To require the Secretary of the Treasury to enter into an agreement with the Free File Alliance to provide for electronic filing of individual Federal income tax returns free of charge.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 2007

Ms. ZOE LOFGREN of California (for herself and Mr. CANTOR) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the Secretary of the Treasury to enter into an agreement with the Free File Alliance to provide for electronic filing of individual Federal income tax returns free of charge.

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. PROGRAM TO E-FILE FEDERAL INCOME TAX**

4 **RETURNS.**

5 (a) AGREEMENT.—

6 (1) IN GENERAL.—The Secretary of the Treasury

7 shall enter into an agreement with the Free File Al-

8 liance to provide a forms-based software service for

1 all individual taxpayers with the ability to electronically
2 prepare and file their Federal returns of income tax through the Internal Revenue Service
3 website, free of charge, by using the standard 1040
4 and 1040EZ forms and the most commonly used
5 schedules for taxable years beginning after 2007,
6 and such software service to be made available (at
7 no cost to either the United States or the participating
8 taxpayers) by the Free File Alliance shall be
9 in addition to the products and services available to
10 taxpayers from Free File member companies under
11 the terms and conditions of the Government's agree-
12 ment with the Free File Alliance Agreement entered
13 into on behalf of the United States by the Commis-
14 sioner of Internal Revenue on October 30, 2002, and
15 as subsequently amended.

16

17 (2) TERM OF AGREEMENT.—The agreement
18 shall have a term of 60 months, unless terminated
19 earlier in accordance with the agreement, and may
20 be renewed.

21 (b) DEVELOPMENT AND OPERATION OF PROGRAM.—
22 In providing for the development and operation of this
23 program, the Secretary of the Treasury—

24 (1) shall enter into an agreement with the Free
25 File Alliance in accordance with subsection (a);

23 (c) CONSULTATION.—In providing for the deploy-
24 ment of this program, the Secretary shall also consult with
25 other entities with expertise in this issue area, including

1 the National Taxpayer Advocate, the Electronic Tax Ad-
2 ministration Advisory Committee (ETAAC), professional
3 and industrial organizations, nonprofit organizations, and
4 Federal, State, and local agencies as determined appro-
5 priate by the Secretary.

6 (d) REPORTS TO CONGRESS REGARDING E-FILE
7 PROGRAM.—

8 (1) REPORT ON IMPLEMENTATION.—The Sec-
9 retary of the Treasury shall report to the Committee
10 on Finance of the Senate and the Committee on
11 Ways and Means of the House of Representatives
12 not later than 6 months after the date of the enact-
13 ment of this Act, and every 6 months thereafter, re-
14 garding the status of the implementation of this e-
15 file program.

16 (2) REPORT ON USAGE.—Not later than June
17 30 of each year after the implementation of e-file
18 program described in this Act, the Secretary of the
19 Treasury, in consultation with the National Tax-
20 payer Advocate and the ETAAC, shall report to the
21 Committee on Finance of the Senate and the Com-
22 mittee on Ways and Means of the House of Rep-
23 resentatives, on taxpayer usage of such e-file pro-
24 gram.

1 **SEC. 2. BUSINESS RESPONSIBILITY STANDARDS.**

2 Members of the Free File Alliance must meet the
3 standards set forth in section 9.104–1 of title 48, Code
4 of Federal Regulations, that would be used by the Federal
5 Government to evaluate the business responsibility of a
6 company and the commerciality of its offered product or
7 service if such company were being considered as a con-
8 tract source for the purchase of commercial products or
9 services for the Federal Government’s end use.

10 **SEC. 3. RETURN-FREE TAX SYSTEM.**

11 Neither the Secretary of the Treasury nor any dele-
12 gate of the Secretary may implement a return-free tax sys-
13 tem under which individuals would be permitted to comply
14 with the Internal Revenue Code of 1986 without making
15 the return required under section 6012 of such Code for
16 taxable years beginning after 2007, unless the authoriza-
17 tion to implement such a system is enacted into law by
18 an Act of Congress after the date of the enactment of this
19 Act.

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