

112TH CONGRESS
2D SESSION

H. R. 6523

To amend the Internal Revenue Code of 1986 to require that ITIN applicants submit their application in person at taxpayer assistance centers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 21, 2012

Mr. SAM JOHNSON of Texas 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 require that ITIN applicants submit their application in person at taxpayer assistance centers, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “ITIN Reform Act of
5 2012”.

6 **SEC. 2. REQUIREMENTS FOR THE ISSUANCE OF ITINS.**

7 (a) IN GENERAL.—Section 6109 of the Internal Rev-
8 enue Code of 1986 is amended by adding at the end the
9 following:

1 “(i) SPECIAL RULES RELATING TO THE ISSUANCE
2 OF ITINS.—

3 “(1) IN GENERAL.—The Secretary may issue
4 an individual taxpayer identification number to an
5 individual only if the requirements of paragraphs (2)
6 and (3) are met.

7 “(2) IN-PERSON APPLICATION.—The require-
8 ments of this paragraph are met if, with respect to
9 an application for an individual taxpayer identifica-
10 tion number—

11 “(A) the applicant submits the application
12 in person at a taxpayer assistance center of the
13 Internal Revenue Service a Form W-7 (or any
14 successor thereof), together with the required
15 documentation, or

16 “(B) in the case of an applicant who re-
17 sides outside of the United States, the applicant
18 submits the application in person to an em-
19 ployee of the Internal Revenue Service or a des-
20 ignee of the Secretary at a United States diplo-
21 matic mission or consular post, together with
22 the required documentation.

23 “(3) INITIAL ON-SITE VERIFICATION OF DOCU-
24 MENTATION.—The requirements of this paragraph
25 are met if, with respect to each application, an em-

1 ployee of the Internal Revenue Service at the tax-
2 payer assistance center, or the employee or designee
3 described in paragraph (2)(B), as the case may be,
4 conducts an initial verification of the documentation
5 supporting the application submitted under para-
6 graph (2).

7 “(4) REQUIRED DOCUMENTATION.—For pur-
8 poses of this subsection—

9 “(A) required documentation includes such
10 documentation as the Secretary may require
11 that proves the individual’s identity and foreign
12 status, and

13 “(B) the Secretary may only accept origi-
14 nal documents.

15 “(5) EXCEPTIONS.—

16 “(A) MILITARY SPOUSES.—Paragraph (1)
17 shall not apply to the spouse, or the depend-
18 ents, without a social security number of a tax-
19 payer who is a member of the Armed Forces of
20 the United States.

21 “(B) TREATY BENEFITS.—Paragraph (1)
22 shall not apply to a nonresident alien applying
23 for an individual taxpayer identification number
24 for the purpose of claiming tax treaty benefits.

25 “(6) TERM.—

1 “(A) IN GENERAL.—An individual tax-
2 payer identification number issued after the
3 date of the enactment of this subsection shall
4 be valid only for the 3-year period which in-
5 cludes the taxable year of the individual for
6 which such number is issued and the 2 suc-
7 ceeding taxable years.

8 “(B) CONTINUED VALIDITY.—Such num-
9 ber shall be valid for each succeeding 3-year pe-
10 riod if—

11 “(i) a return of the individual (or, if
12 a dependent, on which the individual is in-
13 cluded) is made for a taxable year in the
14 preceding 3-year period, and

15 “(ii) each of the preceding 3-year pe-
16 riods beginning with the period in which
17 such number was issued is a valid period
18 under this paragraph.

19 “(C) SPECIAL RULE FOR EXISTING
20 ITINS.—In the case of an individual with an in-
21 dividual taxpayer identification number issued
22 on or before the date of the enactment of this
23 subsection, such number shall not be valid—

1 “(i) after the end of the 3-year period
2 beginning on the date of the enactment of
3 this subsection, and

4 “(ii) if a return of the individual (or,
5 if a dependent, on which the individual is
6 included) is not made for the first taxable
7 year beginning after the date of the enact-
8 ment of this subsection.”.

9 (b) INTEREST.—Section 6611 of such Code is amend-
10 ed by redesignating subsection (h) as subsection (i) and
11 by inserting after subsection (g) the following new sub-
12 section:

13 “(h) SPECIAL RULE RELATING TO ITINS.—Notwith-
14 standing any other provision of this section, no interest
15 shall be allowed or paid to or on behalf of a individual
16 with respect to any overpayment until after 45 days after
17 an individual taxpayer identification number is issued to
18 the individual.”.

19 (c) AUDIT BY TIGTA.—Not later than two years
20 after the date of the enactment of this Act, and every two
21 years thereafter, the Treasury Inspector General for Tax
22 Administration shall conduct an audit of the program of
23 the Internal Revenue Service for the issuance of individual
24 taxpayer identification numbers pursuant to section
25 6109(i) of the Internal Revenue Code of 1986. The report

1 required by this subsection shall be submitted to the Con-
2 gress.

3 (d) EFFECTIVE DATE.—

4 (1) SUBSECTION (a).—The amendment made
5 by subsection (a) shall apply to requests for indi-
6 vidual taxpayer identification numbers made after
7 the date of the enactment of this Act.

8 (2) SUBSECTION (b).—The amendment made
9 by subsection (b) shall apply to returns due, claims
10 filed, and refunds paid after the date of the enact-
11 ment of this Act.

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