

119TH CONGRESS
2D SESSION

S. 4093

To amend the Internal Revenue Code of 1986 to provide rebates to individuals using tariff proceeds.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2026

Mr. HEINRICH (for himself, Mr. GALLEGRO, Mr. VAN HOLLEN, Mr. COONS, Mr. BOOKER, Mr. KIM, Mrs. GILLIBRAND, Ms. DUCKWORTH, and Mr. REED) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide rebates to individuals using tariff proceeds.

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, ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Tariff Refunds for Working Families Act”.

6 (b) STATEMENT OF POLICY.—It is the policy of the
7 United States to use revenue raised from unlawful tariffs
8 applied on foreign imports, including unlawful tariffs im-
9 posed under the International Emergency Economic Pow-

1 ers Act, to provide relief for working people through imme-
2 diate tax rebates.

3 (c) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that refunds allowed by reason of the amendments
5 made by this Act are derived from revenues raised from
6 unlawful tariffs applied to foreign imports, including tar-
7 iffs imposed under the International Emergency Economic
8 Powers Act.

9 **SEC. 2. WORKING FAMILIES REFUND.**

10 (a) IN GENERAL.—Subchapter B of chapter 65 of
11 subtitle F of the Internal Revenue Code of 1986 is amend-
12 ed by inserting after section 6428B the following new sec-
13 tion:

14 **“SEC. 6428C. WORKING FAMILIES REFUND.**

15 “(a) IN GENERAL.—In the case of an eligible indi-
16 vidual, there shall be allowed as a credit against the tax
17 imposed by subtitle A for the first taxable year beginning
18 in 2026 an amount equal to the sum of—

19 “(1) \$600 (or, in the case of eligible individuals
20 filing a joint return, \$1,200), plus

21 “(2) an amount equal to the product of \$600
22 multiplied by the number of qualifying children
23 (within the meaning of section 24(c)) of the tax-
24 payer.

1 “(b) TREATMENT OF CREDIT.—The credit allowed by
2 subsection (a) shall be treated as allowed by subpart C
3 of part IV of subchapter A of chapter 1.

4 “(c) LIMITATION BASED ON ADJUSTED GROSS IN-
5 COME.—No credit shall be allowed under subsection (a)
6 with respect to any taxpayer whose adjusted gross income
7 as exceeds—

8 “(1) \$180,000 in the case of a joint return,

9 “(2) \$120,000 in the case of a head of house-
10 hold, and

11 “(3) \$90,000 in the case of a taxpayer not de-
12 scribed in paragraph (1) or (2).

13 “(d) ELIGIBLE INDIVIDUAL.—For purposes of this
14 section, the term ‘eligible individual’ means any individual
15 other than—

16 “(1) any nonresident alien individual,

17 “(2) any individual with respect to whom a de-
18 duction under section 151 is allowable to another
19 taxpayer for a taxable year beginning in the cal-
20 endar year in which the individual’s taxable year be-
21 gins, and

22 “(3) an estate or trust.

23 “(e) COORDINATION WITH ADVANCE REFUNDS OF
24 CREDIT.—

1 “(1) IN GENERAL.—The amount of credit
2 which would (but for this paragraph) be allowable
3 under this section shall be reduced (but not below
4 zero) by the aggregate refunds and credits made or
5 allowed to the taxpayer under subsection (f). Any
6 failure to so reduce the credit shall be treated as
7 arising out of a mathematical or clerical error and
8 assessed according to section 6213(b)(1).

9 “(2) JOINT RETURNS.—In the case of a refund
10 or credit made or allowed under subsection (f) with
11 respect to a joint return, half of such refund or cred-
12 it shall be treated as having been made or allowed
13 to each individual filing such return.

14 “(f) ADVANCE REFUNDS AND CREDITS.—

15 “(1) IN GENERAL.—Subject to paragraph (5),
16 each individual who was an eligible individual for
17 such individual’s first taxable year beginning in
18 2025 shall be treated as having made a payment
19 against the tax imposed by chapter 1 for such tax-
20 able year in an amount equal to the advance refund
21 amount for such taxable year.

22 “(2) ADVANCE REFUND AMOUNT.—For pur-
23 poses of paragraph (1), the advance refund amount
24 is the amount that would have been allowed as a
25 credit under this section for such taxable year if this

1 section (other than subsection (e) and this sub-
2 section) had applied to such taxable year.

3 “(3) TIMING AND MANNER OF PAYMENTS.—

4 “(A) TIMING.—The Secretary shall, sub-
5 ject to the provisions of this title, refund or
6 credit any overpayment attributable to this sec-
7 tion as rapidly as possible and before the date
8 that is 40 days after the date of the enactment
9 of this section. No refund or credit shall be
10 made or allowed under this subsection after De-
11 cember 31, 2027.

12 “(B) DELIVERY OF PAYMENTS.—

13 “(i) ELECTRONIC PAYMENT.—Not-
14 withstanding any other provision of law,
15 the Secretary may certify and disburse re-
16 funds payable under this subsection elec-
17 tronically to any account to which the
18 payee authorized, on or after January 1,
19 2024, the delivery of a refund of taxes
20 under this title or of a Federal payment
21 (as defined in section 3332 of title 31,
22 United States Code).

23 “(ii) OTHER PAYMENTS.—In the case
24 of any refund payable by check, the check
25 shall be signed by the Secretary.

1 “(C) WAIVER OF CERTAIN RULES.—Not-
2 withstanding section 3325 of title 31, United
3 States Code, or any other provision of law, with
4 respect to any payment of a refund under this
5 subsection, a disbursing official in the executive
6 branch of the United States Government may
7 modify payment information received from an
8 officer or employee described in section
9 3325(a)(1)(B) of such title for the purpose of
10 facilitating the accurate and efficient delivery of
11 such payment. Except in cases of fraud or reck-
12 less neglect, no liability under sections 3325,
13 3527, 3528, or 3529 of title 31, United States
14 Code, shall be imposed with respect to pay-
15 ments made under this subparagraph.

16 “(4) NO INTEREST.—No interest shall be al-
17 lowed on any overpayment attributable to this sec-
18 tion.

19 “(5) ALTERNATE TAXABLE YEAR.—In the case
20 of an individual who, at the time of any determina-
21 tion made pursuant to paragraph (3), has not filed
22 a tax return for the year described in paragraph (1),
23 the Secretary may—

24 “(A) apply such paragraph by substituting
25 ‘2024’ for ‘2025’, and

1 “(B) if the individual has not filed a tax
2 return for such individual’s first taxable year
3 beginning in 2024, use information with respect
4 to such individual for calendar year 2024 pro-
5 vided in—

6 “(i) Form SSA–1099, Social Security
7 Benefit Statement, or

8 “(ii) Form RRB–1099, Social Secu-
9 rity Equivalent Benefit Statement.

10 “(6) NOTICE TO TAXPAYER.—Not later than 15
11 days after the date on which the Secretary distrib-
12 uted any payment to an eligible taxpayer pursuant
13 to this subsection, notice shall be sent by mail to
14 such taxpayer’s last known address. Such notice
15 shall indicate the method by which such payment
16 was made, the amount of such payment, and a
17 phone number for the appropriate point of contact
18 at the Internal Revenue Service to report any failure
19 to receive such payment.

20 “(g) IDENTIFICATION NUMBER REQUIREMENT.—

21 “(1) IN GENERAL.—No credit shall be allowed
22 under subsection (a) to an eligible individual who
23 does not include on the return of tax for the taxable
24 year—

1 “(A) such individual’s valid identification
2 number,

3 “(B) in the case of a joint return, the valid
4 identification number of such individual’s
5 spouse, and

6 “(C) in the case of any qualifying child
7 taken into account under subsection (a)(2), the
8 valid identification number of such qualifying
9 child.

10 “(2) VALID IDENTIFICATION NUMBER.—

11 “(A) IN GENERAL.—For purposes of para-
12 graph (1), the term ‘valid identification num-
13 ber’ means a social security number (as such
14 term is defined in section 24(h)(7)).

15 “(B) ADOPTION TAXPAYER IDENTIFICA-
16 TION NUMBER.—For purposes of paragraph
17 (1)(C), in the case of a qualifying child who is
18 adopted or placed for adoption, the term ‘valid
19 identification number’ shall include the adop-
20 tion taxpayer identification number of such
21 child.

22 “(3) SPECIAL RULE FOR MEMBERS OF THE
23 ARMED FORCES.—Paragraph (1)(B) shall not apply
24 in the case where at least 1 spouse was a member
25 of the Armed Forces of the United States at any

1 time during the taxable year and at least 1 spouse
2 satisfies paragraph (1)(A).

3 “(4) MATHEMATICAL OR CLERICAL ERROR AU-
4 THORITY.—Any omission of a correct valid identi-
5 fication number required under this subsection shall
6 be treated as a mathematical or clerical error for
7 purposes of applying section 6213(g)(2) to such
8 omission.

9 “(h) REGULATIONS.—The Secretary shall prescribe
10 such regulations or other guidance as may be necessary
11 to carry out the purposes of this section, including any
12 such measures as are deemed appropriate to avoid allow-
13 ing multiple credits or rebates to a taxpayer.”.

14 (b) ADMINISTRATIVE AMENDMENTS.—

15 (1) DEFINITION OF DEFICIENCY.—Section
16 6211(b)(4)(A) of the Internal Revenue Code of 1986
17 is amended by inserting “6428C,” after “6428B,”.

18 (2) MATHEMATICAL OR CLERICAL ERROR AU-
19 THORITY.—Section 6213(g)(2)(L) of such Code is
20 amended by striking “or 6428A” and inserting
21 “6428A, or 6428C”.

22 (c) TREATMENT OF POSSESSIONS.—

23 (1) PAYMENTS TO POSSESSIONS.—

24 (A) MIRROR CODE POSSESSION.—The Sec-
25 retary of the Treasury shall pay to each posses-

1 sion of the United States which has a mirror
2 code tax system amounts equal to the loss (if
3 any) to that possession by reason of the amend-
4 ments made by this section. Such amounts shall
5 be determined by the Secretary of the Treasury
6 based on information provided by the govern-
7 ment of the respective possession.

8 (B) OTHER POSSESSIONS.—The Secretary
9 of the Treasury shall pay to each possession of
10 the United States which does not have a mirror
11 code tax system amounts estimated by the Sec-
12 retary of the Treasury as being equal to the ag-
13 gregate benefits (if any) that would have been
14 provided to residents of such possession by rea-
15 son of the amendments made by this section if
16 a mirror code tax system had been in effect in
17 such possession. The preceding sentence shall
18 not apply unless the respective possession has a
19 plan, which has been approved by the Secretary
20 of the Treasury, under which such possession
21 will promptly distribute such payments to its
22 residents.

23 (2) COORDINATION WITH CREDIT ALLOWED
24 AGAINST UNITED STATES INCOME TAXES.—No cred-
25 it shall be allowed against United States income

1 taxes under section 6428C of the Internal Revenue
2 Code of 1986 (as added by this section) to any per-
3 son—

4 (A) to whom a credit is allowed against
5 taxes imposed by the possession by reason of
6 the amendments made by this section, or

7 (B) who is eligible for a payment under a
8 plan described in paragraph (1)(B).

9 (3) DEFINITIONS AND SPECIAL RULES.—

10 (A) POSSESSION OF THE UNITED
11 STATES.—For purposes of this subsection, the
12 term “possession of the United States” includes
13 the Commonwealth of Puerto Rico and the
14 Commonwealth of the Northern Mariana Is-
15 lands.

16 (B) MIRROR CODE TAX SYSTEM.—For pur-
17 poses of this subsection, the term “mirror code
18 tax system” means, with respect to any posses-
19 sion of the United States, the income tax sys-
20 tem of such possession if the income tax liabil-
21 ity of the residents of such possession under
22 such system is determined by reference to the
23 income tax laws of the United States as if such
24 possession were the United States.

1 (C) TREATMENT OF PAYMENTS.—For pur-
2 poses of section 1324 of title 31, United States
3 Code, the payments under this subsection shall
4 be treated in the same manner as a refund due
5 from a credit provision referred to in subsection
6 (b)(2) of such section.

7 (d) EXCEPTION FROM REDUCTION OR OFFSET.—
8 Any credit or refund allowed or made to any individual
9 by reason of section 6428C of the Internal Revenue Code
10 of 1986 (as added by this section) or by reason of sub-
11 section (c) of this section shall not be—

12 (1) subject to reduction or offset pursuant to
13 section 3716 or 3720A of title 31, United States
14 Code,

15 (2) subject to reduction or offset pursuant to
16 subsection (d), (e), or (f) of section 6402 of the In-
17 ternal Revenue Code of 1986, or

18 (3) reduced or offset by other assessed Federal
19 taxes that would otherwise be subject to levy or col-
20 lection.

21 (e) PUBLIC AWARENESS CAMPAIGN.—The Secretary
22 of the Treasury (or the Secretary's delegate) shall conduct
23 a public awareness campaign, in coordination with the
24 Commissioner of Social Security and the heads of other
25 relevant Federal agencies, to provide information regard-

1 ing the availability of the credit and rebate allowed under
2 section 6428C of the Internal Revenue Code of 1986 (as
3 added by this section), including information with respect
4 to individuals who may not have filed a tax return for tax-
5 able year 2024 or 2025.

6 (f) ADDITIONAL REQUIREMENT.—For purposes of
7 any payment described in paragraph (3)(B) of section
8 6428C(f) of the Internal Revenue Code of 1986 (as added
9 by this Act), any notice described in paragraph (6) of such
10 section, and any information provided through the public
11 awareness campaign described in subsection (e), there
12 shall not be included any reference to the Executive Office
13 of the President, Donald J. Trump, or his administration.

14 (g) CONFORMING AMENDMENTS.—

15 (1) Paragraph (2) of section 1324(b) of title
16 31, United States Code, is amended by inserting
17 “6428C,” after “6428B,”.

18 (2) The table of sections for subchapter B of
19 chapter 65 of subtitle F of the Internal Revenue
20 Code of 1986 is amended by inserting after the item
21 relating to section 6428B the following:

“Sec. 6428C. Working families refund.”.

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