land and ensure continued opportunities for those activities.

S. 2103

At the request of Mr. LEE, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S. 2103, a bill to amend title 18, United States Code, to protect pain-capable unborn children in the District of Columbia, and for other purposes.

S. 2112

At the request of Mr. BEGICH, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 2112, a bill to amend title 10, United States Code, to authorize space-available travel on military aircraft for members of the reserve components, a member or former member of a reserve component who is eligible for retired pay but for age, widows and widowers of retired members, and dependents.

S. 2165

At the request of Mrs. BOXER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 2165, a bill to enhance strategic cooperation between the United States and Israel, and for other purposes.

S. 2174

At the request of Mr. INHOFE, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. 2174, a bill to exempt natural gas vehicles from certain maximum fuel economy increase standards, and for other purposes.

S. 2237

At the request of Mr. REID, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

S. 2242

At the request of Mr. THUNE, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 2242, a bill to amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes, and for other purposes.

S. 2264

At the request of Mr. HOEVEN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 2264, a bill to provide liability protection for claims based on the design, manufacture, sale, offer for sale, introduction into commerce, or use of certain fuels and fuel additives, and for other purposes.

S. 2274

At the request of Mr. ROBERTS, the name of the Senator from North Dakota (Mr. HOEVEN) was added as a cosponsor of S. 2274, a bill to require the Secretary of Agriculture to establish a nonprofit corporation to be known as the Foundation for Food and Agriculture Research.

S. 2276

At the request of Mr. GRASSLEY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2276, a bill to permit Federal officers to remove cases involving crimes of violence to Federal court.

S. 2283

At the request of Mr. TESTER, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2283, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to include procedures for requests from Indian tribes for a major disaster or emergency declaration, and for other purposes.

S. RES. 380

At the request of Mr. GRAHAM, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. Res. 380, a resolution to express the sense of the Senate regarding the importance of preventing the Government of Iran from acquiring nuclear weapons capability.

S. RES. 399

At the request of Mr. MENENDEZ, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. Res. 399, a resolution calling upon the President to ensure that the foreign policy of the United States reflects appropriate understanding and sensitivity concerning issues related to human rights, crimes against humanity, ethnic cleansing, and genocide documented in the United States record relating to the Armenian Genocide, and for other purposes.

S. RES. 402

At the request of Mr. COONS, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. Res. 402, a resolution condemning Joseph Kony and the Lord's Resistance Army for committing crimes against humanity and mass atrocities, and supporting ongoing efforts by the United States Government and governments in central Africa to remove Joseph Kony and Lord's Resistance Army commanders from the battlefield.

S. RES. 406

At the request of Mr. WARNER, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. Res. 406, a resolution commending the achievements and recognizing the importance of the Alliance to Save Energy on the 35th anniversary of the incorporation of the Alliance.

S. RES. 418

At the request of Mr. BROWN of Ohio, the names of the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Ohio (Mr. PORTMAN) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. Res. 418, a resolution commending the 80 brave men who became known as the ''Doolittle Tokyo Raiders'' for outstanding heroism, valor, skill, and service to the United States during the bombing of Tokyo and 5 other targets on the island of Honshu on April 18, 1942, during the Second World War.

AMENDMENT NO. 1975

At the request of Mr. MERKLEY, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of amendment No. 1975 intended to be proposed to S. 1789, a bill to improve, sustain, and transform the United States Postal Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LIEBERMAN (for himself and Mr. BLUMENTHAL):

S. 2286. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Farmington River and Salmon Brook in the State of Connecticut as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. LIEBERMAN. Mr. President, I rise today to introduce the Lower Farmington River and Salmon Brook Wild and Scenic River Act. I first would like to thank my colleague, Senator BLUMENTHAL, for joining me as a cosponsor of this legislation, and also wish to thank Congressman CHRIS MURPHY, who recently introduced an identical bill in the House.

My work to preserve and protect the Farmington River dates back many years, and holds a special place in my heart. In 1993 and 1994, in my first term in office, I worked with Congresswoman Nancy Johnson to introduce and pass legislation that added 14 miles of the Upper Farmington River, or the west branch of the river, to the National Wild and Scenic River System, becoming Connecticut's first addition to the system. In 2006, I again had the privilege of working with Rep. Johnson and Sen. Chris Dodd to introduce and pass the Lower Farmington River and Salmon Brook Wild and Scenic River Study Act, which authorized a study of the Lower Farmington, or the east branch of the river. Now complete, the study found that the Lower Farmington River and Salmon Brook possess outstanding natural, cultural, and recreational values. I am honored to return to the Senate floor today to introduce this legislation, which would add the Lower Farmington River and Salmon Brook to the Wild and Scenic Rivers System in order to preserve the extraordinary ecological and recreational values it brings to our state.

Passing through ten towns in northwestern Connecticut, the Lower Farmington River and Salmon Brook is home to extensive wetlands, unique geology, and stunning vistas. The pristine and unique qualities of this river system and the surrounding landscape provide visitors and residents alike, a special location for hiking, paddling, and fishing. This unspoiled natural retreat has a rich history that is only rivaled by its vibrant biodiversity. Archeologists have revealed that sites surrounding the river date back over 11,000 years. The timeline that has been discovered chronicles important Native American development as well as the birth and growth of our nation. From

the prehistoric campsites, to the Underground Railroad network, and burgeoning manufacturing that sent goods to markets across the world, the river and its banks are an essential component of our nation's history.

But the importance of the Lower Farmington River and Salmon Brook goes beyond its contribution to our nation's history. Among the country's most biologically diverse ecosystem, the river is home to 30 species of finfish, 105 bird species, and the only river in New England that is home to all 12 of the freshwater mussel species native to the region, one of which is a federally listed endangered species. Since prehistory the rich biodiversity has also benefited agriculture along the banks of this river system. Driven by the unique qualities of the soil, Native Americans, colonists and Connecticut residents have harvested tobacco that is known the world over.

Today, outdoor recreationists visit the Lower Farmington River and Salmon Brook in increasing numbers. As Americans return to nature, it is essential that policies are in place which enhances stewardship and conservation in Connecticut and across the nation. Unchecked development threatens to erode biodiversity, destroy unprotected historic sites, and consume priceless natural resources. In order to combat such destruction we must have the foresight to ensure that treasures such as the Lower Farmington River and Salmon Brook remain unspoiled for today's recreational users as well as tomorrow's.

I thank Congressman MURPHY, all the members of the Study Committee, and especially the Farmington River Watershed Association and its Executive Director, Eileen Fielding, for working with me to advance the Lower Farmington River and Salmon Brook's status within the National Wild & Scenic Rivers System. I reaffirm my strong support today for the river's protection, and I look forward to working cooperatively with my colleagues in making it happen.

By Mr. REED (for himself, Mr. ALEXANDER, Mrs. MURRAY, and Mr. ROBERTS):

S. 2289. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to pediatric provisions; to the Committee on Health, Education, Labor, and Pensions.

Mr. REED. I am pleased to be joined today by Senators ALEXANDER, MURRAY, and ROBERTS in introducing the Better Pharmaceuticals and Devices for Children Act, BPDCA. This legislation will ensure that children are prioritized in the drug development process, as well as continue the increase in the number and quality of medical devices developed for use in children. I am particularly pleased that this bill has the support of the American Academy of Pediatrics and the Pharmaceutical Research and Manufacturers of America.

Indeed, drugs and devices work differently in children than in adults, and consequently, must be studied specifically for use in children. However, due to the fact that pediatric trials can be costly, take several years, and offer less of a return on investment, drug companies weren't initiating these trials. As a result, nearly 80 percent of drugs were used off-label in children.

This alarming statistic garnered the attention of pediatricians, medical experts, families, and ultimately, Congress. In 1997, Congress provided pharmaceutical companies with an incentive to invest in pediatric research through the Best Pharmaceuticals for Children Act, BPCA. In 2003, Congress passed the Pediatric Research Equity Act to begin requiring pharmaceutical companies to engage in these studies. Since the enactment of these laws, 426 drug labels have been revised with important pediatric information and there has been a decline in the number of drugs used off-label in children from 80 to 50 percent.

However, these laws will expire on October 1 unless Congress passes legislation to renew them. The Better Pharmaceuticals and Devices for Children Act would ensure that these laws are never at risk of expiring again. Laws that examine the safety and effectiveness of drugs and devices in adults are permanent. Children should have the same assurances. By making these laws permanent, pharmaceutical companies will also gain the certainty they need to continue wisely investing in these studies.

In making these laws permanent, we must not miss an opportunity to improve their benefits for children to ensure that more robust and timely information about the use of drugs and devices can guide clinical care. This legislation does just that.

First, it would ensure pediatric studies are planned earlier in the drug development process. Currently, pediatric study plans can be submitted to the FDA when a company submits its new drug application. This can be a very stressful time for a company and, as such, pediatric study plans are often left to the last minute. This has traditionally resulted in insufficient and inappropriate study plans, as well as delays of important pediatric data. Our legislation would require companies to submit a more robust pediatric study plan at the end of phase two in the drug development process. By this time in the process, a company already has performed the requisite clinical trial or trials in adults and has a better understanding of a drug's safety and efficacy, as well as dosing requirements. Moreover, experts at the FDA initially tried to require companies to submit a pediatric study plan at this time in the drug development process in a regulation that was struck down by the courts. However, the rationale and justification behind the regulation helped inform the drafting of this legislation and led us to believe that companies should submit their initial pediatric study plan to the FDA at the end of phase two.

The legislation would also ensure that pediatric studies are actually completed. An alarming 78 percent of pediatric studies that were scheduled to be completed by September 2007 are currently late or were submitted late. While it is appropriate for some studies to take longer than expected and we wouldn't want a pediatric study to hold up the approval of a drug for use in adults it is unacceptable for companies to fail to complete pediatric studies altogether. Our bill would give the FDA the authority to distinguish between reasonable and unreasonable delays in pediatric studies and provide the agency with critical enforcement tools to ensure required pediatric studies are completed. This legislation would also provide the FDA with the ability to better track the progress of studies and assist with any complications.

The Better Pharmaceuticals and Devices for Children Act also responds to the need for the development of pediatric medical devices in children, which can lag five to ten years behind those manufactured for adults. The pediatric profit allowance for Humanitarian Use Devices has proven to be an effective incentive for the development of new medical devices that are designed specifically for the needs of children. Our bill would continue this important policy. It would also reauthorize the Pediatric Device Consortia, which in just two and a half years, has assisted in advancing the development of 135 proposed pediatric medical devices and helped get life-saving and life-improving pediatric devices to the patients that need them.

This legislation is critical for children's health. It will help give parents peace of mind that when their doctor prescribes a medication or recommends a medical device for their kids, it is proven safe and effective for specific use in children.

It is my understanding that Chairman HARKIN will be including this legislation as part of a broader initiative that the Health, Education, Labor, and Pensions Committee will soon be considering focused on improving drugs and devices. I look forward to working with Senators ALEXANDER, MURRAY, and ROBERTS, as well as the Chairman and others on moving this bill forward before the October deadline.

By Mr. CORNYN (for himself, Ms. SNOWE, Mrs. HUTCHISON, and Mr. HELLER):

S. 2291. A bill to provide a taxpayer bill of rights for small businesses; to the Committee on Finance.

Mr. CORNYN. Mr. President, I rise to introduce the Small Business Taxpayer Bill of Rights Act of 2012, SBTBOR. I am very pleased that Senators SNOWE, HUTCHISON, and HELLER are cosponsors of this taxpayer-friendly legislation.

As Americans across the country race to meet today's deadline to complete their federal tax return, it is important to note that their tax burden is more than just the amount of tax paid to the federal government. Taxpayers also bear the burden of the cost of complying with the tax code. Analysts predict that taxpayers will spend over $350 billion this year alone to comply with the tax code. In addition, according to a survey by the National Small Business Association, over half of the respondents reported that they spend more than 40 hours a year dealing with federal taxes and spend more than $5,000 each year just on the administration of federal taxes. In addition, a dispute over a complex tax code with the IRS can become an expensive endeavor for small businesses, who have limited resources to fight off frivolous IRS claims. With the passage of the 2010 health care act, this burden is expected to increase in the future. At a time when job creation remains weak, small businesses should be spending their time and resources creating jobs, not cutting through miles of burdensome IRS red tape. The Small Business Taxpayer Bill of Rights seeks to mitigate this problem. It would ensure that small businesses spend less time dealing with the IRS and more time creating jobs.

The Small Business Taxpayer Bill of Rights, among other things, provides more protections and safeguards for small businesses during administrative procedures with the IRS. It would: lower the compliance burden on small business taxpayers; strengthen safeguards against IRS overreach; increase taxpayer compensation for IRS abuses and; improve taxpayer access to the court system. Amid the weakest economic recovery since World War II, American job creators urgently need such relief.

The Small Business Taxpayer Bill of Rights Act will reduce the compliance and administrative burdens faced by small business taxpayers when it comes to dealing with the IRS. The bill provides an alternative dispute resolution procedure through which a small business taxpayer may be able to request arbitration with an independent, neutral third party not employed by the IRS. In addition, the bill will make more small businesses eligible to recoup attorney's fees when a court finds that the IRS's action taken against a taxpayer is not substantially justified.

The legislation also reinforces the independent nature of the IRS Appeals Office by prohibiting it from discussing the merits of a taxpayer's case with any other department at the IRS, unless the taxpayer is afforded an opportunity to participate. Second, the bill will prevent an Appeals Officer from raising a new issue that was not initially raised by the IRS in the examination process. The SBTBOR would help to ensure the Appeals Office remains a neutral entity that effectively facilitates the taxpayer's appeals process.

The Small Business Taxpayer Bill of Rights Act will make the IRS more accountable to taxpayers by increasing the amount of damages taxpayers may receive for any collection action the IRS takes against them that is reckless, or by reason of negligence disregards the law or its regulations. Second, it increases the amount of damages taxpayers may be awarded when the IRS improperly discloses their tax returns and tax information. Third, the bill raises the monetary penalty on IRS employees who commit certain unlawful acts or disclose taxpayer information.

Finally, the legislation will improve taxpayer access to the Tax Court by expanding the role of the current ''small tax case'' procedure—an informal and efficient method for resolving disputes before the Tax Court—to include a wider variety of cases. The bill will permit taxpayers to obtain judicial review from the Tax Court when the IRS fails to act on their claim for interest abatement due to an error or delay by the IRS. Taxpayers whose property has been wrongly seized to satisfy a tax debt will have more time to claim relief and bring a civil suit against the IRS. It also makes procedural improvements for taxpayers who request innocent spouse relief. By requesting innocent spouse relief, taxpayers can be relieved of the responsibility for paying tax, interest, and penalties if their spouse improperly reported items or omitted items on their tax return.

Last week, I held an event in Houston, Texas, where I announced my intention to introduce the Small Business Taxpayer Bill of Rights Act. The event was held at the headquarters of Forge USA, which is a family-owned, medium-sized open-die forging business. Forging is a process involving the shaping of heated metal parts in which the metal is never completely confined or restrained in the dies. Forge USA has 215 employees and provides high-quality custom forged products for a variety of industries, with about 70 percent of its product going to the oil and gas industry. This is what the owners of Forge USA said about the legislation: ''Senator Cornyn's efforts to improve the rights of small businesses will mean that business owners will be able to spend more time growing their businesses and hiring more workers and hopefully less time talking to the tax man.'' I am grateful for the support of a small business like Forge USA. This legislation is also supported by the Texas Association of Business, U.S. Hispanic Chamber of Commerce, and the National Taxpayers Union, among others.

Small business owners face an especially crushing burden of paperwork, but they lack the key financial and legal resources that multinational corporations do when dealing with the tax code and the IRS. This legislation will provide relief for small businesses and will allow small businesses to spend more time expanding their business and creating jobs and less time dealing with the IRS.

Mr. President, I ask unanimous consent that the text of the bill and a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2291

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Taxpayer Bill of Rights Act of 2012''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. MODIFICATION OF STANDARDS FOR AWARDING OF COSTS AND CERTAIN FEES.

(a) SMALL BUSINESSES ELIGIBLE WITHOUT REGARD TO NET WORTH.—Subparagraph (D) of section 7430(c)(4) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting ''and'', and by adding at the end the following new clause:

''(iii) in the case of an eligible small business, the net worth limitation in clause (ii) of such section shall not apply.''.

(b) ELIGIBLE SMALL BUSINESS.—Paragraph (4) of section 7430(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) ELIGIBLE SMALL BUSINESS.—For purposes of subparagraph (D)(iii), the term 'eligible small business' means, with respect to any proceeding commenced in a taxable year—

''(i) a corporation the stock of which is not publicly traded,

''(ii) a partnership, or

''(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed $50,000,000.

For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to proceedings commenced after the date of the enactment of this Act.

SEC. 3. CIVIL DAMAGES ALLOWED FOR RECKLESS OR INTENTIONAL DISREGARD OF INTERNAL REVENUE LAWS.

(a) INCREASE IN AMOUNT OF DAMAGES.—Section 7433(b) of the Internal Revenue Code of 1986 is amended by striking ''$1,000,000 ($100,000, in the case of negligence)'' and inserting ''$3,000,000 ($300,000, in the case of negligence)''.

(b) EXTENSION OF TIME TO BRING ACTION.—Section 7433(d)(3) of the Internal Revenue Code of 1986 is amended by striking ''2 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 4. MODIFICATIONS RELATING TO CERTAIN OFFENSES BY OFFICERS AND EMPLOYEES IN CONNECTION WITH REVENUE LAWS.

(a) INCREASE IN PENALTY.—Section 7214 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$10,000'' in subsection (a) and inserting ''$25,000'', and

(2) by striking ''$5,000'' in subsection (b) and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 5. MODIFICATIONS RELATING TO CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.

(a) INCREASE IN AMOUNT OF DAMAGES.—Subparagraph (A) of section 7431(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''$1,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to inspections and disclosure occurring on and after the date of the enactment of this Act.

SEC. 6. INTEREST ABATEMENT REVIEWS.

(a) FILING PERIOD FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (h) of section 6404 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''REVIEW OF DENIAL'' in the heading and inserting ''JUDICIAL REVIEW'', and

(B) by striking '' 'if such action is brought' '' and all that follows in paragraph (1) and inserting ''if such action is brought—

''(A) at any time after the earlier of—

''(i) the date of the mailing of the Secretary's final determination not to abate such interest, or

''(ii) the date which is 180 days after the date of the filing with the Secretary (in such form as the Secretary may prescribe) of a claim for abatement under this section, and

''(B) not later than the date which is 180 days after the date described in subparagraph (A)(i).''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to claims for abatement of interest filed with the Secretary after the date of the enactment of this Act.

(b) SMALL TAX CASE ELECTION FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (f) of section 7463 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''and'' at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting '', and'', and

(C) by adding at the end the following new paragraph:

''(3) a petition to the Tax court under section 6404(h) in which the amount of interest abatement sought does not exceed $50,000.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) cases pending as of the day after the date of the enactment of this Act, and

(B) cases commenced after such date of enactment.

SEC. 7. BAN ON EX PARTE DISCUSSIONS.

(a) IN GENERAL.—Notwithstanding section 1001(a)(4) of the Internal Revenue Service Restructuring and Reform Act of 1998, the Internal Revenue Service shall prohibit any ex parte communications between officers in the Internal Revenue Service Office of Appeals and other Internal Revenue Service employees with respect to any matter pending before such officers.

(b) TERMINATION OF EMPLOYMENT FOR MISCONDUCT.—Subject to subsection (c), the Commissioner of Internal Revenue shall terminate the employment of any employee of the Internal Revenue Service if there is a final administrative or judicial determination that such employee committed any act or omission prohibited under subsection (a) in the performance of the employee's official duties. Such termination shall be a removal for cause on charges of misconduct.

(c) DETERMINATION OF COMMISSIONER.—

(1) IN GENERAL.—The Commissioner of Internal Revenue may take a personnel action other than termination for an act prohibited under subsection (a).

(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner of Internal Revenue and may not be delegated to any other officer. The Commissioner of Internal Revenue, in his sole discretion, may establish a procedure which will be used to determine whether an individual should be referred to the Commissioner of Internal Revenue for a determination by the Commissioner under paragraph (1).

(3) NO APPEAL.—Any determination of the Commissioner of Internal Revenue under this subsection may not be appealed in any administrative or judicial proceeding.

(d) TIGTA REPORTING OF TERMINATION OR MITIGATION.—Section 7803(d)(1)(E) of the Internal Revenue Code of 1986 is amended by inserting ''or section 7 of the Small Business Taxpayer Bill of Rights Act of 2012'' after ''1998''.

SEC. 8. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

(a) IN GENERAL.—Section 7123 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) AVAILABILITY OF DISPUTE RESOLUTIONS.—

''(1) IN GENERAL.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide that a taxpayer may request mediation or arbitration in any case unless the Secretary has specifically excluded the type of issue involved in such case or the class of cases to which such case belongs as not appropriate for resolution under such subsection. The Secretary shall make any determination that excludes a type of issue or a class of cases public within 5 working days and provide an explanation for each determination.

''(2) INDEPENDENT MEDIATORS.—

''(A) IN GENERAL.—The procedures prescribed under subsection (b)(1) shall provide the taxpayer an opportunity to elect to have the mediation conducted by an independent, neutral individual not employed by the Office of Appeals.

''(B) COST AND SELECTION.—

''(i) IN GENERAL.—Any taxpayer making an election under subparagraph (A) shall be required—

''(I) to share the costs of such independent mediator equally with the Office of Appeals, and

''(II) to limit the selection of the mediator to a roster of recognized national or local neutral mediators.

''(ii) EXCEPTION.—Clause (i)(I) shall not apply to any taxpayer who is an individual or who was a small business in the preceding calendar year if such taxpayer had an adjusted gross income that did not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, in the taxable year preceding the request.

''(iii) SMALL BUSINESS.—For purposes of clause (ii), the term 'small business' has the meaning given such term under section 41(b)(3)(D)(iii).

''(3) AVAILABILITY OF PROCESS.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide the opportunity to elect mediation or arbitration at the time when the case is first filed with the Office of Appeals and at any time before deliberations in the appeal commence.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 9. EXTENSION OF TIME FOR CONTESTING IRS LEVY.

(a) EXTENSION OF TIME FOR RETURN OF PROPERTY SUBJECT TO LEVY.—Subsection (b) of section 6343 of the Internal Revenue Code of 1986 is amended by striking ''9 months'' and inserting ''3 years''.

(b) PERIOD OF LIMITATION ON SUITS.—Subsection (c) of section 6532 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1) by striking ''9 months'' and inserting ''3 years'', and

(2) in paragraph (2) by striking ''9-month'' and inserting ''3-year''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) levies made after the date of the enactment of this Act, and

(2) levies made on or before such date if the 9-month period has not expired under section 6343(b) of the Internal Revenue Code of 1986 (without regard to this section) as of such date.

SEC. 10. WAIVER OF INSTALLMENT AGREEMENT FEE.

(a) IN GENERAL.—Section 6159 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) WAIVER OF INSTALLMENT AGREEMENT FEE.—The Secretary shall waive the fees imposed on installment agreements under this section for any taxpayer with an adjusted gross income that does not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, and who has agreed to make payments under the installment agreement by electronic payment through a debit instrument.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 11. SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION OF SPOUSAL RELIEF AND COLLECTION CASES.

(a) PETITIONS FOR SPOUSAL RELIEF.—

(1) IN GENERAL.—Subsection (e) of section 6015 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of an individual who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1)(A) with respect to a final determination of relief under this section, the running of the period prescribed by such paragraph for filing such a petition with respect to such final determination shall be suspended for the period during which the individual is so prohibited from filing such a petition, and for 60 days thereafter.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to petitions filed under section 6015(e) of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

(b) COLLECTION PROCEEDINGS.—

(1) IN GENERAL.—Subsection (d) of section 6330 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''appeal such determination to the Tax Court'' in paragraph (1) and inserting ''petition the Tax Court for review of such determination'',

(B) by striking ''JUDICIAL REVIEW OF DETERMINATION'' in the heading of paragraph (1) and inserting ''PETITION FOR REVIEW BY TAX COURT'',

(C) by redesignating paragraph (2) as paragraph (3), and

(D) by inserting after paragraph (1) the following new paragraph:

''(2) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of an individual who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1) with respect to a determination under this section, the running of the period prescribed by such subsection for filing such a petition with respect to such determination shall be suspended for the period during which the individual is so prohibited from filing such a petition, and for 30 days thereafter.''.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 6320 of such Code is amended by striking ''(2)(B)'' and inserting ''(3)(B)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to petitions filed under section 6330 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

SEC. 12. VENUE FOR APPEAL OF SPOUSAL RELIEF AND COLLECTION CASES.

(a) IN GENERAL.—Paragraph (1) of section 7482(b) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''or'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F) and inserting a comma, and

(3) by inserting after subparagraph (F) the following new subparagraphs:

''(G) in the case of a petition under section 6015(e), the legal residence of the petitioner, or

''(H) in the case of a petition under section 6320 or 6330—

''(i) the legal residence of the petitioner if the petitioner is an individual, and

''(ii) the principal place of business or principal office or agency if the petitioner is an entity other than an individual.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to petitions filed after the date of enactment of this Act.

SEC. 13. INCREASE IN MONETARY PENALTIES FOR CERTAIN UNAUTHORIZED DISCLOSURES OF INFORMATION.

(a) IN GENERAL.—Paragraphs (1), (2), (3), and (4) of section 7213(a) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

SEC. 14. DE NOVO TAX COURT REVIEW OF CLAIMS FOR EQUITABLE INNOCENT SPOUSE RELIEF.

(a) IN GENERAL.—Subparagraph (A) of section 6015(e)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush sentence:

''Any review of a determination by the Secretary with respect to a claim for equitable relief under subsection (f) shall be reviewed *de novo* by the Tax Court.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to petitions filed or pending before the Tax Court on and after the date of the enactment of this Act.

SEC. 15. BAN ON RAISING NEW ISSUES ON APPEAL.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 7529. PROHIBITION ON INTERNAL REVENUE SERVICE RAISING NEW ISSUES IN AN INTERNAL APPEAL.

''(a) IN GENERAL.—In reviewing an appeal of any determination initially made by the Internal Revenue Service, the Internal Revenue Service Office of Appeals may not consider or decide any issue that is not within the scope of the initial determination.

''(b) CERTAIN ISSUES DEEMED OUTSIDE OF SCOPE OF DETERMINATION.—For purposes of subsection (a), the following matters shall be considered to be not within the scope of a determination:

''(1) Any issue that was not raised in a notice of deficiency or an examiner's report which is the subject of the appeal.

''(2) Any deficiency in tax which was not included in the initial determination.

''(3) Any theory or justification for a tax deficiency which was not considered in the initial determination.

''(c) NO INFERENCE WITH RESPECT TO ISSUES RAISED BY TAXPAYERS.—Nothing in this section shall be construed to provide any limitation in addition to any limitations in effect on the date of the enactment of this section on the right of a taxpayer to raise an issue, theory, or justification on an appeal from a determination initially made by the Internal Revenue Service that was not within the scope of the initial determination.''.

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

''Sec. 7529. Prohibition on Internal Revenue Service raising new issues in an internal appeal.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to matters filed or pending with the Internal Revenue Service Office of Appeals on or after the date of the enactment of this Act.

UNITED STATES
HISPANIC CHAMBER OF COMMERCE,
Washington, DC, April 9, 2012.

Hon. JOHN CORNYN,
U.S. Senate,
Washington, DC.

DEAR SENATOR CORNYN, The United States Hispanic Chamber of Commerce (USHCC) would like to express its support and thank you for introducing the Small Business Taxpayer Bill of Rights Act of 2012 (SBTBOR). As our organization advocates for legislation that helps to build Hispanic owned businesses and enhance America's economy, it is encouraging to see the SBTBOR introduced on the Senate floor.

As you are aware, Hispanic-owned firms are the fastest growing segment of business across the country. We applaud you for recognizing this fact and, as a result, taking the initiative to provide sensible solutions for the USHCC constituency of Hispanic enterprises. The four pillars of the SBTBOR—lowering compliance burden for taxpayers, strengthening taxpayer protections, compensating taxpayers for IRS abuses, and improving taxpayer access to the judicial system—are crucial to the efficiency of small business, and we hope that your Senate colleagues join in your efforts to pass sensible, pro-growth legislation.

In the USHCC's recently released 2012–2014 Legislative Agenda, regulatory reform is noted as a critical part of the Hispanic small business community's potential for job creation and economic development. The SBTBOR, by addressing problematic regulation and interaction with the IRS, is parallel to the USHCC mission. In order for the Hispanic community to continue leveraging its entrepreneurial spirit, we cannot allow for entrepreneurs to be subject to slow and costly resolution of audits, low civil damages when the IRS disregards the law, fees on installment agreements for low-income taxpayers, and many other harsh burdens that exist for small businesses.

The SBTBOR is clearly something that will positively affect the Hispanic business community and American economy as a whole. Please let us know how we may assist in your effort to promote an environment where entrepreneurs focus more on growing their businesses rather than dealing with unreasonable regulations. We are here to help.

Respectfully Submitted,

JAVIER PALOMAREZ,
President & CEO.
NINA VACA,
Chairman of the Board.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 419—EXPRESSING THE SENSE OF THE SENATE THAT PUBLIC SERVANTS SHOULD BE COMMENDED FOR THEIR DEDICATION AND CONTINUED SERVICE TO THE UNITED STATES DURING PUBLIC SERVICE RECOGNITION WEEK

Mr. AKAKA (for himself, Ms. COLLINS, Mr. LEVIN, Mr. LIEBERMAN, Mr. CARPER, Mr. LAUTENBERG, Mr. WEBB, and Mr. COONS) submitted the following resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

S. RES. 419

Whereas the week of May 6 through 12, 2012, has been designated as ''Public Service Recognition Week'' to honor the employees of the Federal Government and State and local governments of the United States of America;

Whereas Public Service Recognition Week provides an opportunity to recognize and promote the important contributions of public servants and honor the diverse men and women who meet the needs of the United States through work at all levels of government;

Whereas millions of individuals work in government service in every city, county, and State across the United States and in hundreds of cities abroad;

Whereas public service is a noble calling involving a variety of challenging and rewarding professions;

Whereas the Federal Government and State and local governments are responsive, innovative, and effective because of the outstanding work of public servants;