

confirm the scope of the authority of the Administrator of the Environmental Protection Agency to deny or restrict the use of defined areas as disposal sites.

S. 2178

At the request of Mr. ALEXANDER, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 2178, a bill to amend the National Labor Relations Act with respect to the timing of elections and pre-election hearings and the identification of pre-election issues, and to require that lists of employees eligible to vote in organizing elections be provided to the National Labor Relations Board.

S. 2190

At the request of Mr. BLUNT, the name of the Senator from Wisconsin (Mr. JOHNSON) was added as a cosponsor of S. 2190, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

S. 2195

At the request of Mr. CRUZ, the names of the Senator from Indiana (Mr. COATS), the Senator from Louisiana (Mr. VITTER), the Senator from Mississippi (Mr. COCHRAN), the Senator from Ohio (Mr. PORTMAN) and the Senator from South Carolina (Mr. GRAHAM) were added as cosponsors of S. 2195, a bill to deny admission to the United States to any representative to the United Nations who has been found to have been engaged in espionage activities or a terrorist activity against the United States and poses a threat to United States national security interests.

S. 2199

At the request of Ms. MIKULSKI, the names of the Senator from Wisconsin (Ms. BALDWIN), the Senator from Alaska (Mr. BEGICH), the Senator from Ohio (Mr. BROWN), the Senator from Washington (Ms. CANTWELL), the Senator from Maryland (Mr. CARDIN), the Senator from North Carolina (Mrs. HAGAN), the Senator from Hawaii (Ms. HIRONO), the Senator from West Virginia (Mr. MANCHIN), the Senator from Massachusetts (Mr. MARKEY), the Senator from Oregon (Mr. MERKLEY), the Senator from Arkansas (Mr. PRYOR), the Senator from Rhode Island (Mr. REED), the Senator from Vermont (Mr. SANDERS), the Senator from Michigan (Ms. STABENOW), the Senator from Montana (Mr. WALSH) and the Senator from Massachusetts (Ms. WARREN) were added as cosponsors of S. 2199, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 2209

At the request of Mr. CARDIN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cospon-

sor of S. 2209, a bill to require a report on accountability for war crimes and crimes against humanity in Syria.

S. 2212

At the request of Mrs. FISCHER, the names of the Senator from Wyoming (Mr. BARRASSO), the Senator from Oklahoma (Mr. INHOFE) and the Senator from South Carolina (Mr. SCOTT) were added as cosponsors of S. 2212, a bill to amend the Consumer Financial Protection Act of 2010 to strengthen the review authority of the Financial Stability Oversight Council of regulations issued by the Bureau of Consumer Financial Protection, and for other purposes.

S. 2213

At the request of Mrs. FISCHER, the names of the Senator from Wyoming (Mr. BARRASSO), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Maine (Ms. COLLINS), the Senator from Wisconsin (Mr. JOHNSON) and the Senator from South Carolina (Mr. SCOTT) were added as cosponsors of S. 2213, a bill to replace the Director of the Bureau of Consumer Financial Protection with a five-person Commission.

S. CON. RES. 33

At the request of Mr. COCHRAN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. Con. Res. 33, a concurrent resolution celebrating the 100th anniversary of the enactment of the Smith-Lever Act, which established the nationwide Cooperative Extension System.

S. RES. 369

At the request of Mr. MENENDEZ, the name of the Senator from Virginia (Mr. KAINE) was added as a cosponsor of S. Res. 369, a resolution to designate May 22, 2014 as "United States Foreign Service Day" in recognition of the men and women who have served, or are presently serving, in the Foreign Service of the United States, and to honor those in the Foreign Service who have given their lives in the line of duty.

S. RES. 402

At the request of Mr. FRANKEN, the names of the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from Wisconsin (Ms. BALDWIN) were added as cosponsors of S. Res. 402, a resolution expressing the regret of the Senate for the passage of section 3 of the Expatriation Act of 1907 (34 Stat. 1228) that revoked the United States citizenship of women who married foreign nationals.

S. RES. 410

At the request of Mr. MENENDEZ, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. MARKEY), the Senator from California (Mrs. BOXER), the Senator from Rhode Island (Mr. REED) and the Senator from Rhode Island (Mr. WHITEHOUSE) were added as cosponsors of S. Res. 410, a resolution expressing the sense of the Senate regarding the anniversary of the Armenian Genocide.

S. RES. 411

At the request of Mr. INHOFE, the names of the Senator from Alabama

(Mr. SESSIONS) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. Res. 411, a resolution expressing the sense of the Senate with respect to the territorial integrity and sovereignty of the Republic of Moldova.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CORNYN:

S. 2215. A bill to protect taxpayers from improper audits by the Internal Revenue Service; to the Committee on Finance.

Mr. CORNYN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2215

*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 "Eliminating Improper and Abusive IRS Audits Act of 2014".

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Civil damages allowed for reckless or intentional disregard of internal revenue laws.
- Sec. 3. Modifications relating to certain offenses by officers and employees in connection with revenue laws.
- Sec. 4. Modifications relating to civil damages for unauthorized inspection or disclosure of returns and return information.
- Sec. 5. Extension of time for contesting IRS levy.
- Sec. 6. Increase in monetary penalties for certain unauthorized disclosures of information.
- Sec. 7. Ban on raising new issues on appeal.
- Sec. 8. Limitation on enforcement of liens against principal residences.
- Sec. 9. Additional provisions relating to mandatory termination for misconduct.
- Sec. 10. Extension of declaratory judgment procedures to social welfare organizations.
- Sec. 11. Review by the Treasury Inspector General for Tax Administration.

### SEC. 2. 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. 3. 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. 4. 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. 5. 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. 6. 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. 7. 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.

**SEC. 8. LIMITATION ON ENFORCEMENT OF LIENS AGAINST PRINCIPAL RESIDENCES.**

(a) **IN GENERAL.**—Section 7403(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking “In any case” and inserting the following:

“(1) **IN GENERAL.**—In any case”, and

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

“(2) **LIMITATION WITH RESPECT TO PRINCIPAL RESIDENCE.**—

“(A) **IN GENERAL.**—Paragraph (1) shall not apply to any property used as the principal residence of the taxpayer (within the meaning of section 121) unless the Secretary of the Treasury makes a written determination that—

“(i) all other property of the taxpayer, if sold, is insufficient to pay the tax or discharge the liability, and

“(ii) such action will not create an economic hardship for the taxpayer.

“(B) **DELEGATION.**—For purposes of this paragraph, the Secretary of the Treasury may not delegate any responsibilities under subparagraph (A) to any person other than—

“(i) the Commissioner of Internal Revenue, or

“(ii) a district director or assistant district director of the Internal Revenue Service.”.

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

**SEC. 9. ADDITIONAL PROVISIONS RELATING TO MANDATORY TERMINATION FOR MISCONDUCT.**

(a) **TERMINATION OF UNEMPLOYMENT FOR INAPPROPRIATE REVIEW OF TAX-EXEMPT STATUS.**—Section 1203(b) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking “and” at the end of paragraph (9), by striking the period at the end of paragraph (10) and inserting “; and”, and by adding at the end the following new paragraph:

“(11) in the case of any review of an application for tax-exempt status by an organization described in section 501(c) of the Internal Revenue Code of 1986, developing or using any methodology that applies disproportionate scrutiny to any applicant based on the ideology expressed in the name or purpose of the organization.”.

(b) **MANDATORY UNPAID ADMINISTRATIVE LEAVE FOR MISCONDUCT.**—Paragraph (1) of Section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by adding at the end the following new sentence: “Notwithstanding the preceding sentence, if the Commissioner of Internal Revenue takes a personnel action other than termination for an act or omission described in subsection (b), the Commissioner shall place the employee on unpaid administrative leave for a period of not less than 30 days.”.

(c) **LIMITATION ON ALTERNATIVE PUNISHMENT.**—Paragraph (1) of section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking “The Commissioner” and inserting “Except in the case of an act

or omission described in subsection (b)(3)(A), the Commissioner”.

**SEC. 10. EXTENSION OF DECLARATORY JUDGMENT PROCEDURES TO SOCIAL WELFARE ORGANIZATIONS.**

(a) **IN GENERAL.**—Section 7428(a)(1) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of subparagraph (C) and by adding at the end the following new subparagraph:

“(E) with respect to the initial classification or continuing classification of an organization described in section 501(c)(4) which is exempt from tax under section 501(a), or”.

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

**SEC. 11. REVIEW BY THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.**

(a) **REVIEW.**—Subsection (k)(1) of section 8D of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subparagraph (C), by striking “and” at the end;

(2) by redesignating subparagraph (D) as subparagraph (E);

(3) by inserting after subparagraph (C) the following new subparagraph:

“(D) shall—

“(i) review any criteria employed by the Internal Revenue Service to select tax returns (including applications for recognition of tax-exempt status) for examination or audit, assessment or collection of deficiencies, criminal investigation or referral, refunds for amounts paid, or any heightened scrutiny or review in order to determine whether the criteria discriminates against taxpayers on the basis of race, religion, or political ideology; and

“(ii) consult with the Internal Revenue Service on recommended amendments to such criteria in order to eliminate any discrimination identified pursuant to the review described in clause (i); and”;

(4) in subparagraph (E), as so redesignated, by striking “and (C)” and inserting “(C), and (D)”.

(b) **SEMIANNUAL REPORT.**—Subsection (g) of such section is amended by adding at the end the following new paragraph:

“(3) Any semiannual report made by the Treasury Inspector General for Tax Administration that is required pursuant to section 5(a) shall include—

“(A) a statement affirming that the Treasury Inspector General for Tax Administration has reviewed the criteria described in subsection (k)(1)(D) and consulted with the Internal Revenue Service regarding such criteria; and

“(B) a description and explanation of any such criteria that was identified as discriminatory by the Treasury Inspector General for Tax Administration.”.

**SUBMITTED RESOLUTIONS**

**SENATE RESOLUTION 412—RE-AFFIRMING THE STRONG SUPPORT OF THE UNITED STATES GOVERNMENT FOR FREEDOM OF NAVIGATION AND OTHER INTERNATIONALLY LAWFUL USES OF SEA AND AIRSPACE IN THE ASIA-PACIFIC REGION, AND FOR THE PEACEFUL DIPLOMATIC RESOLUTION OF OUTSTANDING TERRITORIAL AND MARITIME CLAIMS AND DISPUTES**

Mr. MENENDEZ (for himself, Mr. RUBIO, Mr. CARDIN, Mr. MCCAIN, and