

House taxwriting committee advances tax administration bills

Five tax administration bills were approved by the House Ways and Means Committee in a February 12 mark up, four of which were passed with bipartisan support.

Stolen ‘paper’ checks still a problem

Reps. Nicloe Malliotakis (R-N.Y.), along with Terri Sewell (D-Ala.), David Kustoff (R-Tenn.), and Issa Darrell (R-Calif.) introduced bipartisan legislation – the Recovery of Stolen Checks Act (H.R. 1155) – which would allow taxpayers who’ve had tax refunds lost or stolen in the mail to receive a replacement check via direct deposit. The bill was overwhelmingly approved by the Ways and Means Committee in mark up by a vote of 41 to 0.

[URL: https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-1155.pdf](https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-1155.pdf)

Malliotakis noted that her district in New York has been hit hard by tax refunds being lost or stolen in the mail which she said has resulted in 377 cases totaling more than \$5 million.

“Many of my constituents are hardworking taxpayers and when a check goes missing or is stolen, it directly impacts their livelihood.” She added that “I am thankful to the Ways and Means Committee for allowing me to highlight this issue and appreciate their swift action to pass my legislation with unanimous support.”

For her part, Sewell also applauded the passage of the bill.

“I’ve heard from a number of constituents who have struggled to receive their tax returns after they were lost or stolen, simply because of outdated IRS policy,” said Sewell. “That’s why I’m excited that the Ways and Means Committee has unanimously passed our bipartisan legislation to allow my constituents to receive their replacement returns via direct deposit.”

The proposal would also require the Treasury Secretary to prescribe rules that establish specific procedures to standardize this area within 6 months of the date the law is enacted.

Other tax administration bills advance

Four other tax administration bills were also marked up by the panel on February 12 and were all passed by the committee (consolidated text and supporting documents of all five bills). Three of the four bills were passed with unanimous bipartisan support, while the fourth bill advanced without any Democratic backing.

[URL: https://waysandmeans.house.gov/event/full-committee-markup-of-h-r-1155-h-r-997-h-r-998-h-r-1152-and-h-r-1156/](https://waysandmeans.house.gov/event/full-committee-markup-of-h-r-1155-h-r-997-h-r-998-h-r-1152-and-h-r-1156/)

National Taxpayer Advocate, Math Error: Rep. Randy Feenstra (R-Iowa) introduced two bipartisan bills addressing tax administration early this Congress. The National Taxpayer Advocate Enhancement Act of 2025 (H.R. 997), which was cosponsored by Rep. Danny Davis (D-Ill.), was approved by the Ways and Means

Committee in mark up by a unanimous vote and would authorize the National Taxpayer Advocate to hire their own attorneys who would serve the interests of the taxpayer.

[URL: https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-997.pdf](https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-997.pdf)

The National Taxpayer Advocate is appointed by the Treasury Secretary in consultation with the IRS Commissioner and oversees the Taxpayer Advocate Office which is charged with representing taxpayer interests independently in disputes with the Internal Revenue Service.

The second of Feenstra’s bills – Internal Revenue Service Math and Taxpayer Help Act (H.R. 998) – was cosponsored by Rep. Bradley Schneider (D-Ill.) and was also approved by the Ways and Means Committee in mark up by a unanimous vote.

[URL: https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-998.pdf](https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-998.pdf)

“I’m glad that two of my bills to insulate the IRS from partisan politics and make the IRS more accountable to taxpayers passed the Ways and Means Committee,” said Feenstra.

Generally, “[the math error] bill ensures that the IRS clearly spells out errors on tax forms and helps taxpayers not only understand the mistake but also challenge it if they see fit...”

It also would require the IRS to update procedures on how to request abatement – and if abatement is determined – to issue a notice to the taxpayer. The proposal would further require implementation of a pilot program to explore the use of alternative mail delivery methods for issuance of math error notices.

Electronic filing: The Electronic Filing and Payment Fairness Act (H.R. 1152) was introduced by Rep. Darin LaHood (R- Ill.) and was approved by the Ways and Means Committee by a vote of 41 to 0. The bill is cosponsored by Reps. Suzan Delbene (D-Wash.), Randy Feenstra (R-Iowa), Bradley Schneider (D-Ill.), Brian Fitzpatrick (R-Pa.), and Jimmy Panetta (D-Calif.).

[URL: https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-1152.pdf](https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-HR-1152.pdf)

“This commonsense bill, which has been included in the National Taxpayers Advocate’s Purple Book of Legislative Recommendations (a book of legislative recommendations that the National Taxpayer Advocate believes will strengthen taxpayer rights and improve tax administration), would simply amend the tax code to apply the ‘mailbox rule’ – which treats a taxpayers’ timely mailing of a tax return or other document as timely filing – to electronic submissions of payments and documents to the IRS,” said LaHood.

These rules would apply to any document or payment sent after December 31, 2025.

Pandemic era fraud: House Ways and Means Committee Chairman Jason Smith (R-Mo.), with 25 Republican cosponsors, introduced legislation – the “Pandemic Unemployment Fraud Enforcement Act” (H.R. 1156) – which would extend the statute of limitations to ten years for fraud regarding certain unemployment programs. Though approved by the panel by a vote of 24 to 18, it failed to garner any Democratic votes.

[URL: https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-H.R.-1156.pdf](https://waysandmeans.house.gov/wp-content/uploads/2025/02/AINS-to-H.R.-1156.pdf)

“Failure to extend this statute of limitations would mean that the thousands of criminals and international criminal organizations that perpetrated the greatest theft of American taxpayer dollars in history will never be brought to justice.”

He added that “hundreds of billions of dollars – in one estimate as much as \$400 billion – will be lost forever, and the working families that were victims of this crime will never see the benefits they were promised.”

None of the five bills have been scheduled for floor debate, so the timing of further action on any of the bills is uncertain,

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