To amend the Internal Revenue Code of 1986 to provide for examination and disclosure with respect to Presidential income tax returns.

IN THE HOUSE OF REPRESENTATIVES

Mr. Neal introduced the following bill; which was referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to provide for examination and disclosure with respect to Presidential income tax returns.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Presidential Tax Filings and Audit Transparency Act of 2022”.


SEC. 2. EXAMINATION AND DISCLOSURE WITH RESPECT TO PRESIDENTIAL INCOME TAX RETURNS.

(a) AUDIT.—Subchapter A of chapter 78 of the Internal Revenue Code of 1986 is amended by redesignating section 7613 as section 7614 and by inserting after section 7612 the following new section:

“SEC. 7613. EXAMINATION WITH RESPECT TO PRESIDENTIAL INCOME TAX RETURNS.

“(a) IN GENERAL.—As rapidly as practicable after the filing of any Presidential income tax return, the Secretary shall conduct an examination to ascertain the correctness of such return and enforce the requirements of this title with respect to the taxable year covered by such return.

“(b) REPORTS.—

“(1) INITIAL REPORT.—Not later than 90 days after the filing of a Presidential income tax return, the Secretary shall disclose and make publicly available an initial report regarding the examination with respect to such return. Such report shall include—

“(A) the name of the taxpayer,

“(B) an identification of the subparagraph of subsection (c)(1) which describes such return,

“(C) the date that such return was filed, and
“(D) the date on which the examination
with respect to such return commenced (or, if
such examination has not commenced as of the
date of such report, a detailed description of the
reasons that such examination has not com-

“(2) PERIODIC REPORTS.—Not later than 180
days after the disclosure of the report described in
paragraph (1) with respect to any Presidential in-
come tax return and not later than 180 days after
the most recent disclosure of a report described in
this paragraph with respect to such return, the Sec-
retary shall disclose and make publicly available a
periodic report regarding the examination with re-
spect to such return. Such report shall include—

“(A) the information described in subpara-
grahs (A) through (D) of paragraph (1),

“(B) a description of the status of the ex-
amination, including a description of the por-
tions of the examination which have been com-
pleted, which are in process, and which are ant-
icipated to take place, and

“(C) an estimate of the time frame for the
completion of the examination, including an
identification of factors which could alter such
time frame, reasonable estimates of the likelihood of such factors (taking into account the specific facts and circumstances of the examination), and the likely specific effects of such factors on such time frame.

Notwithstanding the preceding sentence, a periodic report shall not be required under this paragraph with respect to any return after the date on which a final report is disclosed under paragraph (3) with respect to such return.

“(3) FINAL REPORT.—Not later than 90 days after the completion of the examination described in subsection (a) with respect to any Presidential income tax return, the Secretary shall disclose and make publicly available a final report regarding such examination. Such report shall include—

“(A) the information described in subparagraphs (A) through (C) of paragraph (1),

“(B) the date on which the examination with respect to such return was completed,

“(C) a list of the audit materials (as defined in section 6103(q)(2)) with respect to such examination, and

“(D) a description (including the amount) of each proposed adjustment, adjustment, and
controversy with respect to such examination
together with a description of how such pro-
posed adjustment or controversy was resolved
(or a statement that such proposed adjustment
or controversy was not resolved, as the case
may be).

For purposes of this paragraph, an examination
shall be treated as complete on the date that the
Secretary provides the taxpayer with a notice of defi-
ciency, or any closing document referred to in sec-
tion 6103(q)(2)(A)(v), with respect to such examina-
tion.

“(4) Extension of Due Date Report.—If a
request is made for an extension of the due date for
filing any Presidential income tax return, the Sec-
retary shall, not later than 90 days after such re-
quest is granted or denied, disclose and make pub-
licly available an extension of due date report with
respect to return. Such report shall include—

“(A) the information described in subpara-
graphs (A) and (B) of paragraph (1),

“(B) a statement that an extension of the
due date for the filing of such return has been
requested,
“(C) the date that such request was received,

“(D) a statement of whether such request has been granted or denied, and

“(E) the due date of such return (including any extensions).

“(5) TREATMENT OF FAILURE TO FILE.—In the case of a failure to file a Presidential income tax return before the close of the 60-day period beginning with the date prescribed for filing of such return—

“(A) the Secretary shall conduct the examination described in subsection (a) with respect to the taxable year covered by the return to which such failure relates,

“(B) reports made pursuant to this paragraph shall include a statement that such report is with respect to a return which the taxpayer failed to file, and

“(C) this section and section 6103(q) shall otherwise apply to such failure in the same manner as if a return were filed at the close of such period.

The application of this paragraph with respect to any failure to file a Presidential income tax return
shall not prevent the application of this section with respect to such return at such time as such return may be filed.

“(6) PUBLIC AVAILABILITY.—For purposes of this subsection, a document shall not be treated as having been made publicly available unless made available on the Internet.

“(c) PRESIDENTIAL INCOME TAX RETURN.—For purposes of this section—

“(1) IN GENERAL.—The term ‘Presidential income tax return’ means any relevant income tax return of—

“(A) a President,

“(B) an individual who is married (within the meaning of section 7703(a)) to a President for the taxable year to which such return relates,

“(C) any corporation or partnership which is controlled by any individual described in subparagraph (A) or (B) at any time during the taxable year to which such return relates,

“(D) the estate of any person described in (A) or (B) or any estate with respect to which any person described in subparagraph (A), (B), or (C) is an executor, or beneficiary at any time
during the taxable year to which such return relates, and

“(E) any trust with respect to which any person described in subparagraph (A), (B), (C), or (D) is a grantor, fiduciary or beneficiary, or for which another trust described in this subparagraph is a grantor or beneficiary, at any time during the taxable year to which such return relates.

Such term shall include any schedule, attachment, or other document filed with such return.

“(2) RELEVANT INCOME TAX RETURN.—The term ‘relevant income tax return’ means, with respect to a President, any income tax return if—

“(A) any portion of the taxable year to which such return relates is during the period that such President is the President,

“(B) the due date for such return (including any extensions) is during such period, or

“(C) such return is filed during such period.

“(3) CONTROL.—For purposes of paragraph (1)(C)—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, control shall be de-
terminated under the rules of paragraphs (2) and
(3) of section 6038(e) (determined without re-
gard to subparagraphs (A) and (B) of such
paragraph (2) and without regard to subpara-
graph (C) of paragraph (3) thereof).

“(B) Restriction on family attribu-
tion.—

“(i) In general.—Except as pro-
vided in clause (ii), for purposes of apply-
ing subparagraph (A)—

“(I) section 318 shall applied
without regard to subsection
(a)(1)(A)(ii) thereof, and

“(II) section 267(c) shall applied
by treating the family of an individual
as including only such individual’s
spouse (in lieu of the application of
paragraph (4) thereof).

“(ii) Exception for recent trans-
fer to family members.—For purposes
of determining whether any corporation or
partnership is controlled by a President
under paragraph (1)(C) for any taxable
year, clause (i) shall not apply if such cor-
poration or partnership was controlled by
such President (after application of clause (i)) at any time during the 4 immediately preceding taxable years.

“(d) APPLICATION TO AMENDED RETURNS.—For purposes of this section and section 6103(q), any amendment or supplement to a return of tax shall be treated as a separate return of tax and the determination of when such amendment or supplement is filed, and whether such amendment or supplement is a relevant income tax return, shall be made without regard to the underlying return.”.

(b) DISCLOSURE.—Section 6103 of such Code is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

“(q) DISCLOSURE WITH RESPECT TO PRESIDENTIAL INCOME TAX RETURNS.—

“(1) IN GENERAL.—The Secretary shall disclose and make publicly available (within the meaning of section 7613(b))—

“(A) each Presidential income tax return (as defined in section 7613(e)),

“(B) each report described in section 7613(b), and

“(C) any audit materials with respect a return described in subparagraph (A).
(2) AUDIT MATERIALS.—The term ‘audit materials’ means, with respect to any return:

(A) Any of the following which are provided by the Secretary to the taxpayer (or any designee of the taxpayer):

(i) Any written communication which identifies such return as being subject to examination.

(ii) Any written communication which proposes the adjustment of any item on such return, any report by an examiner related to such proposed adjustment, and any supervisory approval of any penalty proposed as part of such adjustment.

(iii) Any memorandum or report of the Internal Revenue Service Independent Office of Appeals with respect to such return, and any denial of any request described in subparagraph (B).

(iv) Any notice of deficiency with respect to such return.

(v) Any closing documents with respect to the examination of such return, including any closing agreement or no change letter.
“(B) Any request for referral to the Internal Revenue Service Independent Office of Appeals of any controversy with respect to such return.

“(C) Any petition filed with the Tax Court for a redetermination of any deficiency referred to in subparagraph (A)(iv).

“(3) EXCEPTION FOR CERTAIN IDENTITY INFORMATION.—The information disclosed and made publicly available under paragraph (1) shall not include any identification number of any person (including any social security number), any financial account number, the name of any individual who has not attained age 18 (as of the close of the taxable year to which the return relates), the name of any employee of the Department of the Treasury, or any address (other than the city and State in which such address is located).

“(4) TIMING OF DISCLOSURES.—Any information required to be disclosed under paragraph (1) shall be disclosed and made publicly available not later than—

“(A) in the case of any income tax return referred to in paragraph (1)(A), 90 days after the date that such return is filed,
“(B) in the case of any report referred to in paragraph (1)(B), the deadline specified in section 7613(b) for disclosing such report, and

“(C) in the case of the audit materials referred to in paragraph (1)(C), 90 days after the completion of the examination (within the meaning of section 7613(b)(3)) with respect to the return to which such audit materials relate.”.

(c) CLERICAL AMENDMENT.—Subchapter A of chapter 78 of such Code is amended by redesignating the item relating to section 7613 as an item relating to section 7614 and by inserting after the item relating to section 7612 the following new item:

“Sec. 7613. Examination with respect to Presidential income tax returns.”.

(d) EFFECTIVE DATE.—The amendments made by this subsection shall apply to returns, amendments, and supplements filed (and failures to file returns which occur) after the date of the enactment of this Act (and to reports and audit materials with respect to such returns, amendments, supplements, and failures).