

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 6956
OFFERED BY MR. SMITH OF MISSOURI

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Barcode Automation
3 for Revenue Collection to Organize Disbursement and En-
4 hance Efficiency Act” or the “BARCODE Efficiency
5 Act”.

6 SEC. 2. SCANNING AND DIGITIZATION OF TAX RETURNS
7 AND CORRESPONDENCE.

8 (a) RETURNS PREPARED ELECTRONICALLY AND
9 SUBMITTED ON PAPER.—With respect to any Federal tax
10 return which is prepared electronically, but is printed and
11 filed on paper—

12 (1) such return shall bear a code which, when
13 scanned, converts the data included in such return
14 to electronic format, and

15 (2) subject to subsection (b)(1)(B), the Internal
16 Revenue Service shall use barcode scanning tech-
17 nology to convert the data included in such return
18 to electronic format.

1 (b) OPTICAL CHARACTER RECOGNITION SOFT-
2 WARE.—With respect to—

3 (1) any Federal tax return which—

4 (A) is not prepared electronically and is
5 printed and filed on paper, or

6 (B) is described in subsection (a)(1) but,
7 for any reason, the data included in such return
8 cannot be accurately converted into electronic
9 format, or

10 (2) any correspondence which is received by the
11 Internal Revenue Service in a paper form (with the
12 exception of any such correspondence which has
13 been received by the Internal Revenue Service in
14 electronic format),

15 the Internal Revenue Service shall use optical character
16 recognition technology (or any functionally similar tech-
17 nology) to transcribe such return or correspondence.

18 (c) EXCEPTION.—

19 (1) IN GENERAL.—Subsection (a) or (b) shall
20 not apply to the extent that the Secretary of the
21 Treasury or the Secretary's delegate determines that
22 the technology described in such subsection is slower
23 or less reliable than—

1 (A) the process of manually transcribing
2 returns or correspondence received in a paper
3 form, or

4 (B) any other process that the Internal
5 Revenue Service is using or would otherwise
6 use.

7 (2) REPORT TO CONGRESS.—Any exception to
8 the application of subsection (a) or (b) pursuant to
9 paragraph (1) shall not take effect unless the Sec-
10 retary provides a report to the Committee on Ways
11 and Means of the House of Representatives and the
12 Committee on Finance of the Senate regarding the
13 determination made by the Secretary under such
14 paragraph within 30 days of such determination.

15 (d) EFFECTIVE DATE.—This section shall apply to—

16 (1) any individual income tax return (as defined
17 in section 6011(e)(3)(C) of the Internal Revenue
18 Code of 1986) received on or after January 1 of the
19 first calendar year beginning more than 180 days
20 after the date of enactment of this Act,

21 (2) any estate tax return (as described in sec-
22 tion 6018 of such Code) or gift tax return (as de-
23 scribed in section 6019 of such Code) received on or
24 after January 1 of the first calendar year beginning

1 more than 24 months after the date of enactment of
2 this Act, and

3 (3) any other return or correspondence received
4 on or after January 1 of the first calendar year be-
5 ginning more than 12 months after the date of en-
6 actment of this Act.

