United States House Committee on
**Ways & Means**
CHAIRMAN JASON SMITH

# H.R. 10334, *EFIN Verification Act of 2026*

**Rep. Estes (R-KS), Rep. Panetta (D-CA)**

## Background:

- An **Electronic Filing Identification Number (EFIN)** is the credential the IRS issues to authorized e-file providers, **allowing a return to be transmitted to the IRS**.
- EFINs **do not appear in the Internal Revenue Code**; they exist only through IRS revenue procedures and publications.
- **Stolen and hijacked EFINs are a common mechanism for refund fraud.** Criminals can acquire valid EFINs, using them to transmit seemingly legitimate returns.
- **Current law does not require an EFIN to be verified as active and authorized** before it is used to file.
- As such, tax software has **no reliable, real-time way to confirm** that an EFIN has not been suspended, revoked, or compromised.
    - A compromised EFIN can **keep transmitting until the IRS detects the fraud downstream**, which usually occurs after the refunds have been processed by state tax agencies and distributed through transfer banks.

## H.R. 10334, *EFIN Verification Act of 2026*:

- **Prohibits the use of an unvalidated EFIN** to electronically file any return or other document.
- **Requires official validation to occur through the e-filing software itself**, which may not permit transmission unless the EFIN has been validated by Treasury.
- Directs Treasury to **establish an EFIN validation program** to verify, in real time, the EFIN being submitted through the e-filing software. Requires real-time validation system to:
    - provide **immediate confirmation** of EFIN status at the time of the request;
    - confirm whether an EFIN is **active and authorized or has been suspended, revoked, or compromised**; and
    - support **secure, automated, high-volume queries**, including by large-scale tax preparation software.
- **Goes into effect two years after enactment**, giving Treasury and the IRS and industry time to build the program.