

119TH CONGRESS  
1ST SESSION

# H. R. 451

To amend the Internal Revenue Code of 1986 to prohibit certain activities constituting preparation of tax returns by the Secretary of the Treasury, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2025

Mr. SMITH of Nebraska (for himself, Mr. EDWARDS, Mr. GARBARINO, Mrs. MILLER of West Virginia, Ms. TENNEY, Mr. HERN of Oklahoma, Mr. ALFORD, Mr. BUCHANAN, Mr. WOMACK, Ms. VAN DUYNE, and Mr. BACON) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to prohibit certain activities constituting preparation of tax returns by the Secretary of the Treasury, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fostering Autonomy  
5 in Independent Returns by Prohibiting Redundant and  
6 Extralegal Programs Act of 2025” or the “FAIR PREP  
7 Act of 2025”.

1 **SEC. 2. PROHIBITION OF CERTAIN RETURN PREPARATION.**

2 (a) IN GENERAL.—Section 6020 of the Internal Rev-  
3 enue Code of 1986 is amended by adding at the end the  
4 following new subsection:

5 “(c) PROHIBITED PREPARATION BY SECRETARY.—

6 “(1) IN GENERAL.—Except as provided in sec-  
7 tion 6014 and subsections (a) and (b) of this sec-  
8 tion, the Secretary shall not prepare any return of  
9 tax imposed by this title or any claim for refund of  
10 tax imposed by this title.

11 “(2) PROHIBITION OF DIRECT FILE AND COM-  
12 PARABLE PROGRAMS.—For purposes of paragraph  
13 (1), any return or claim for refund prepared using  
14 an electronic tax preparation service operated by the  
15 Secretary shall be treated as if such return or claim  
16 were prepared by the Secretary.

17 “(3) QUALIFIED RETURN PREPARATION PRO-  
18 GRAMS AND IRS FREE FILE PARTNERSHIP.—Para-  
19 graph (2) shall not apply to any return or claim for  
20 refund solely because such return or claim for re-  
21 fund was prepared via, or with the assistance of—

22 “(A) a qualified return preparation pro-  
23 gram (as defined in section 7526A(e)), or

24 “(B) the IRS Free File Program as estab-  
25 lished by the Internal Revenue Service and pub-  
26 lished in the Federal Register on November 4,

1           2002 (67 Fed. Reg. 67247), including any sub-  
2           sequent agreements and governing rules estab-  
3           lished pursuant thereto.

4           “(4) DEFINITIONS.—For purposes of this sub-  
5           section—

6                   “(A) TAX RETURN PREPARATION.—

7                           “(i) IN GENERAL.—The term ‘pre-  
8                           pare’ with respect to any return or claim  
9                           for refund means—

10                                   “(I) the completion of any form  
11                                   and schedule needed to compute and  
12                                   report any tax imposed by this title or  
13                                   any claim for refund of such a tax,  
14                                   and

15                                   “(II) the filing of any such re-  
16                                   turn or claim for refund, regardless of  
17                                   whether such return or claim is sub-  
18                                   mitted electronically or on paper.

19                   For purposes of the preceding sentence,  
20                   the preparation of any portion of a return  
21                   or claim for refund shall be treated as if  
22                   it were the preparation of such return or  
23                   claim for refund.

24                           “(ii) COMPUTATION AND CORRECTION  
25                           OF ERRORS, ETC.—

1                   “(I) IN GENERAL.—Such term  
2                   shall not include any computation au-  
3                   thorized by section 6102 or any other  
4                   computation or correction of mathe-  
5                   matical or clerical errors required or  
6                   authorized by any provision of chapter  
7                   63.

8                   “(II) FILLABLE FORMS.—Such  
9                   term shall not include the provision of  
10                  fillable forms by the Secretary merely  
11                  because such forms include an auto-  
12                  mated calculation feature.

13                  “(B) ELECTRONIC TAX PREPARATION  
14                  SERVICE.—The term ‘electronic tax preparation  
15                  service operated by the Secretary’ means the  
16                  free direct e-file tax return system as estab-  
17                  lished by the Internal Revenue Service and pub-  
18                  lished in the Federal Register on December 15,  
19                  2023 (88 Fed. Reg. 87057), and September 5,  
20                  2024 (89 Fed. Reg. 72699), and any successor  
21                  program of the Internal Revenue Service which  
22                  provides an electronic tax preparation service  
23                  option.”.

24                  (b) EFFECTIVE DATE.—The amendment made by  
25                  this section shall apply to returns filed after the date

1 which is 30 days after the date of the enactment of this  
2 Act.

3 (c) NO INFERENCE.—The amendment made by this  
4 section shall not be construed to create any inference with  
5 respect to the authority of the Secretary of the Treasury  
6 (or any delegate of such Secretary) to develop and offer  
7 for use any electronic tax filing or tax preparation service  
8 option, or otherwise engage in the preparation of any re-  
9 turn of tax or any claim for refund of tax imposed by the  
10 Internal Revenue Code of 1986, with respect to any tax-  
11 able year beginning on or before the date of the enactment  
12 of this Act.

13 **SEC. 3. LIMITATION ON FURTHER EXPENDITURES CIRCUM-**  
14 **VENTING CONGRESSIONAL AUTHORITY.**

15 The Secretary of the Treasury (or any delegate of  
16 such Secretary) may not award or make payment of  
17 grants or enter into or maintain any contract, other trans-  
18 action, or reimbursable agreement for the development or  
19 operation of an electronic tax preparation service option  
20 after the date of the enactment of this Act unless other-  
21 wise authorized by law.

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