

118TH CONGRESS
1ST SESSION

S. 3199

To amend the Internal Revenue Code of 1986 to increase penalties for unauthorized disclosure of taxpayer information.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 2023

Mr. DAINES introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase penalties for unauthorized disclosure of taxpayer information.

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 “Increasing Rightful
5 Sentences Act” or the “IRS Act”.

6 **SEC. 2. INCREASE IN PENALTIES FOR UNAUTHORIZED DIS-**
7 **CLOSURES OF TAXPAYER INFORMATION.**

8 (a) IN GENERAL.—Paragraphs (1), (2), and (3) of
9 section 7213(a) of the Internal Revenue Code of 1986 are
10 each amended by striking “a fine in any amount not ex-

1 ceeding \$5,000, or imprisonment of not more than 5
2 years” and inserting “, with respect to each person whose
3 return or return information was disclosed, a fine in any
4 amount not less than \$5,000 and not greater than
5 \$10,000, or imprisonment of not more than 10 years”.

6 (b) SOLICITATION.—Paragraph (4) of section
7 7213(a) of the Internal Revenue Code of 1986 is amended
8 by striking “a fine in any amount not exceeding \$5,000,
9 or imprisonment of not more than 5 years” and inserting
10 “, with respect to each person whose return or return in-
11 formation was received, a fine in any amount not less than
12 \$5,000 and not greater than \$10,000, or imprisonment
13 of not more than 10 years”.

14 (c) SHAREHOLDERS.—Paragraph (5) of section
15 7213(a) of the Internal Revenue Code of 1986 is amended
16 by striking “a fine in any amount not to exceed \$5,000,
17 or imprisonment of not more than 5 years” and inserting
18 “, with respect to each corporation or subsidiary thereof
19 for which return or return information was disclosed, a
20 fine in any amount not less than \$5,000 and not greater
21 than \$10,000, or imprisonment of not more than 10
22 years”.

1 (d) **EFFECTIVE DATE.**—The amendments made by
2 this section shall apply to disclosures made after the date
3 of the enactment of this Act.

○