

118TH CONGRESS
2D SESSION

S. 5135

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

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 23, 2024

Mr. KENNEDY 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 “Taxpayer Data Protec-
5 tion Act”.

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

8 (a) IN GENERAL.—Paragraphs (1), (2), (3), (4), and
9 (5) of section 7213(a) of the Internal Revenue Code of
10 1986 are each amended by striking “\$5,000, or imprison-

1 ment of not more than 5 years” and inserting “\$250,000,
2 or imprisonment of not more than 10 years”.

3 (b) DISCLOSURES OF RETURN INFORMATION OF
4 MULTIPLE TAXPAYERS TREATED AS MULTIPLE VIOLA-
5 TIONS.—Section 7213(a) of such Code is amended by add-
6 ing at the end the following new paragraph:

7 “(6) DISCLOSURES OF RETURN INFORMATION
8 OF MULTIPLE TAXPAYERS TREATED AS MULTIPLE
9 VIOLATIONS.—For purposes of paragraphs (1), (2),
10 (3), (4), and (5), a separate violation occurs with re-
11 spect to each taxpayer whose return or return infor-
12 mation is disclosed in violation of any such para-
13 graph.”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to disclosures made after the date
16 of the enactment of this Act.

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