

# TAXPAYER ASSISTANCE ACT OF 2010

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(Extensions of Remarks - April 15, 2010)

HON. DANNY K. DAVIS OF ILLINOIS  
IN THE HOUSE OF REPRESENTATIVES  
WEDNESDAY, APRIL 14, 2010

- Mr. DAVIS of Illinois. Mr. Speaker, across the United States, April 15th is Tax Day. As Americans file their taxes, H.R. 4994, the Taxpayer Assistance Act of 2010, improves taxpayer programs and protections. The "Tax Day" bill has a history of broad bi-partisan support and continues to receive large support today.

- Most importantly for the residents of the 7th District of Illinois and the Nation, the Taxpayer Assistance Act of 2010 includes programs that benefit low-income taxpayers. For example, H.R. 4994 increases funding for grants to provide low-income taxpayer clinics. Even in the absence of a specific appropriation, the Volunteer Income Tax Assistance program will be available for use because the Secretary of the Treasury could allocate up to \$20 million of grant funding annually for the program.

As recommended by the National Taxpayer Advocate, the bill allows IRS employees to refer people to these tax clinics as well. The Taxpayer Assistance Act of 2010 also improves the IRS's ability to inform taxpayers about the availability of the Earned Income Tax Credit in prior years, a tax credit that we know helps low-income households. In the 7th Congressional District alone, over 72,000 people participated in this program in 2007 with a savings of over \$172 million, with most of those taxpayers earning less than \$20,000 a year.

- Further, the bill makes it easier for taxpayers to settle outstanding payments via the offers-in-compromise program. Importantly, H.R. 4994 contains provisions to assure the protection of taxpayers, such as requiring the IRS to notify taxpayers when it suspects that a taxpayer's identity, or a dependent's identity, has been stolen. Each of the bill's provisions provides timely assistance and improvements for taxpayers.

- The Taxpayer Assistance Act of 2010 also adapts the tax system to technology in several ways. By allowing the removal of cell phones from listed property, the bill eliminates a strict, outdated rule. The current rule requires individuals to keep detailed records regarding cell phones and similar equipment used for business purposes, imposing

unnecessary burdens on companies and taxpayers. The IRS also will be given the opportunity to utilize the internet and other forms of mass communication to notify taxpayers of ``unclaimed" or ``undeliverable" funds.

Overall H.R. 4994 the Taxpayer Assistance Act of 2010 continues the tradition of the ``Tax Day" bill by providing needed programs, protection to our taxpayers, and updates to outdated rules.