

## Rep. Eshoo Introduces H.R. 5114, the Tax Return Choice Act

April 6, 2006

Rep. Eshoo Introduces H.R. 5114, the Tax Return Choice Act

April 6, 2006

Representative Anna Eshoo (D-Palo Alto) joined today with Rep. Melissa Hart (R-Pennsylvania) and 105 bipartisan cosponsors to introduce H.R. 5114, the Tax Return Choice Act. This legislation will ensure that the IRS cannot implement a "Return Free" tax system, which would make the IRS the tax preparer for all Americans. Under a "Return Free" system the IRS would determine the tax liability of American taxpayers and submit them a bill for payment. Such a system would greatly expand the mission of the IRS and intrude deeply into the lives of the American people.

"As an advocate of reducing the complexity of our tax system and making it easier to file tax returns, I don't think the way to address these problems is to make the IRS the tax preparer for the whole country," said Rep. Eshoo. "A 'Return Free' system has been promoted within the IRS for several years and raises serious issues related to taxpayer rights, privacy, security, and the inherent conflict of interest in having the IRS in charge of preparation, auditing, and enforcement."

The Tax Return Choice Act clarifies that the IRS cannot take on the dual, inherently conflicting roles of tax collector and tax preparer. The legislation also repeals a provision of the Internal Revenue Service Restructuring and Reform Act of 1998 that required the Secretary of the Treasury to develop procedures for implementing a "return-free" tax system. The bill preserves existing efforts to assist taxpayers including the "Free File Alliance," which was created by the IRS as a public-private partnership and makes free online filing available to more than 70 percent of the nation's taxpayers, IRS Walk-In Centers, and the IRS Volunteer Income Tax Assistance (VITA) Program.

"After seven years of reports from the government and the private sector about how infeasible the 'Return Free' system would be, it's time to drop this idea and develop others to make filing tax returns easier," said Rep. Eshoo.