

as of the completion of the preparation of the instructions by the Secretary.

(Added Pub. L. 101-508, title XI, §11622(a), Nov. 5, 1990, 104 Stat. 1388-504; amended Pub. L. 104-193, title I, §110(l)(4), formerly §110(l)(8), Aug. 22, 1996, 110 Stat. 2173, renumbered Pub. L. 105-33, title V, §5514(a)(2), Aug. 5, 1997, 111 Stat. 620; Pub. L. 110-234, title IV, §4002(b)(1)(E), (2)(O), May 22, 2008, 122 Stat. 1096, 1097; Pub. L. 110-246, §4(a), title IV, §4002(b)(1)(E), (2)(O), June 18, 2008, 122 Stat. 1664, 1857, 1858.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(3)(C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Subsec. (b)(3)(C). Pub. L. 110-246, §4002(b)(1)(E), (2)(O), substituted “supplemental nutrition assistance program benefits” for “food stamps”.

1996—Subsec. (b)(3)(C). Pub. L. 104-193, §110(l)(4), formerly §110(l)(8), as renumbered by Pub. L. 105-33, substituted “assistance under a State program funded under part A of title IV of the Social Security Act” for “aid to families with dependent children”.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

Amendment by section 4002(b)(1)(E), (2)(O) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4407 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE

Pub. L. 101-508, title XI, §11622(c), Nov. 5, 1990, 104 Stat. 1388-505, provided that: “The amendments made by this section [enacting this section] shall apply to instructions prepared for taxable years beginning after 1990.”

§ 7524. Annual notice of tax delinquency

Not less often than annually, the Secretary shall send a written notice to each taxpayer who has a tax delinquent account of the amount of the tax delinquency as of the date of the notice.

(Added Pub. L. 104-168, title XII, §1204(a), July 30, 1996, 110 Stat. 1471.)

EFFECTIVE DATE

Pub. L. 104-168, title XII, §1204(c), July 30, 1996, 110 Stat. 1471, provided that: “The amendments made by this section [enacting this section] shall apply to calendar years after 1996.”

§ 7525. Confidentiality privileges relating to taxpayer communications

(a) Uniform application to taxpayer communications with federally authorized practitioners

(1) General rule

With respect to tax advice, the same common law protections of confidentiality which apply to a communication between a taxpayer and an attorney shall also apply to a communication between a taxpayer and any federally authorized tax practitioner to the extent the communication would be considered a privileged communication if it were between a taxpayer and an attorney.

(2) Limitations

Paragraph (1) may only be asserted in—

(A) any noncriminal tax matter before the Internal Revenue Service; and

(B) any noncriminal tax proceeding in Federal court brought by or against the United States.

(3) Definitions

For purposes of this subsection—

(A) Federally authorized tax practitioner

The term “federally authorized tax practitioner” means any individual who is authorized under Federal law to practice before the Internal Revenue Service if such practice is subject to Federal regulation under section 330 of title 31, United States Code.

(B) Tax advice

The term “tax advice” means advice given by an individual with respect to a matter which is within the scope of the individual’s authority to practice described in subparagraph (A).

(b) Section not to apply to communications regarding tax shelters

The privilege under subsection (a) shall not apply to any written communication which is—

(1) between a federally authorized tax practitioner and—

(A) any person,

(B) any director, officer, employee, agent, or representative of the person, or

(C) any other person holding a capital or profits interest in the person, and

(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 6662(d)(2)(C)(ii)).

(Added Pub. L. 105-206, title III, §3411(a), July 22, 1998, 112 Stat. 750; amended Pub. L. 108-357, title VIII, §813(a), Oct. 22, 2004, 118 Stat. 1581.)

AMENDMENTS

2004—Subsec. (b). Pub. L. 108-357 amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: “The privilege under subsection (a) shall not apply to any written communication be-

tween a federally authorized tax practitioner and a director, shareholder, officer, or employee, agent, or representative of a corporation in connection with the promotion of the direct or indirect participation of such corporation in any tax shelter (as defined in section 6662(d)(2)(C)(iii)).”

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-357, title VIII, §813(b), Oct. 22, 2004, 118 Stat. 1581, provided that: “The amendment made by this section [amending this section] shall apply to communications made on or after the date of the enactment of this Act [Oct. 22, 2004].”

EFFECTIVE DATE

Pub. L. 105-206, title III, §3411(c), July 22, 1998, 112 Stat. 751, provided that: “The amendments made by this section [enacting this section] shall apply to communications made on or after the date of the enactment of this Act [July 22, 1998].”

§ 7526. Low-income taxpayer clinics

(a) In general

The Secretary may, subject to the availability of appropriated funds, make grants to provide matching funds for the development, expansion, or continuation of qualified low-income taxpayer clinics.

(b) Definitions

For purposes of this section—

(1) Qualified low-income taxpayer clinic

(A) In general

The term “qualified low-income taxpayer clinic” means a clinic that—

- (i) does not charge more than a nominal fee for its services (except for reimbursement of actual costs incurred); and
- (ii)(I) represents low-income taxpayers in controversies with the Internal Revenue Service; or
- (II) operates programs to inform individuals for whom English is a second language about their rights and responsibilities under this title.

(B) Representation of low-income taxpayers

A clinic meets the requirements of subparagraph (A)(ii)(I) if—

- (i) at least 90 percent of the taxpayers represented by the clinic have incomes which do not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget; and
- (ii) the amount in controversy for any taxable year generally does not exceed the amount specified in section 7463.

(2) Clinic

The term “clinic” includes—

- (A) a clinical program at an accredited law, business, or accounting school in which students represent low-income taxpayers in controversies arising under this title; and
- (B) an organization described in section 501(c) and exempt from tax under section 501(a) which satisfies the requirements of paragraph (1) through representation of taxpayers or referral of taxpayers to qualified representatives.

(3) Qualified representative

The term “qualified representative” means any individual (whether or not an attorney)

who is authorized to practice before the Internal Revenue Service or the applicable court.

(c) Special rules and limitations

(1) Aggregate limitation

Unless otherwise provided by specific appropriation, the Secretary shall not allocate more than \$6,000,000 per year (exclusive of costs of administering the program) to grants under this section.

(2) Limitation on annual grants to a clinic

The aggregate amount of grants which may be made under this section to a clinic for a year shall not exceed \$100,000.

(3) Multi-year grants

Upon application of a qualified low-income taxpayer clinic, the Secretary is authorized to award a multi-year grant not to exceed 3 years.

(4) Criteria for awards

In determining whether to make a grant under this section, the Secretary shall consider—

- (A) the numbers of taxpayers who will be served by the clinic, including the number of taxpayers in the geographical area for whom English is a second language;
- (B) the existence of other low-income taxpayer clinics serving the same population;
- (C) the quality of the program offered by the low-income taxpayer clinic, including the qualifications of its administrators and qualified representatives, and its record, if any, in providing service to low-income taxpayers; and
- (D) alternative funding sources available to the clinic, including amounts received from other grants and contributions, and the endowment and resources of the institution sponsoring the clinic.

(5) Requirement of matching funds

A low-income taxpayer clinic must provide matching funds on a dollar-for-dollar basis for all grants provided under this section. Matching funds may include—

- (A) the salary (including fringe benefits) of individuals performing services for the clinic; and
- (B) the cost of equipment used in the clinic.

Indirect expenses, including general overhead of the institution sponsoring the clinic, shall not be counted as matching funds.

(6) Provision of information regarding qualified low-income taxpayer clinics

Notwithstanding any other provision of law, officers and employees of the Department of the Treasury may—

- (A) advise taxpayers of the availability of, and eligibility requirements for receiving, advice and assistance from one or more specific qualified low-income taxpayer clinics receiving funding under this section, and
- (B) provide information regarding the location of, and contact information for, such clinics.

(Added Pub. L. 105-206, title III, §3601(a), July 22, 1998, 112 Stat. 774; amended Pub. L. 116-25, title I, §1402(a), July 1, 2019, 133 Stat. 997.)