

§ 7529. Notification of suspected identity theft**(a) In general**

If the Secretary determines that there has been or may have been an unauthorized use of the identity of any individual, the Secretary shall, without jeopardizing an investigation relating to tax administration—

(1) as soon as practicable—

(A) notify the individual of such determination,

(B) provide instructions on how to file a report with law enforcement regarding the unauthorized use,

(C) identify any steps to be taken by the individual to permit law enforcement to access personal information of the individual during the investigation,

(D) provide information regarding actions the individual may take in order to protect the individual from harm relating to the unauthorized use, and

(E) offer identity protection measures to the individual, such as the use of an identity protection personal identification number, and

(2) at the time the information described in paragraph (1) is provided (or, if not available at such time, as soon as practicable thereafter), issue additional notifications to such individual (or such individual's designee) regarding—

(A) whether an investigation has been initiated in regards to such unauthorized use,

(B) whether the investigation substantiated an unauthorized use of the identity of the individual, and

(C) whether—

(i) any action has been taken against a person relating to such unauthorized use, or

(ii) any referral has been made for criminal prosecution of such person and, to the extent such information is available, whether such person has been criminally charged by indictment or information.

(b) Employment-related identity theft**(1) In general**

For purposes of this section, the unauthorized use of the identity of an individual includes the unauthorized use of the identity of the individual to obtain employment.

(2) Determination of employment-related identity theft

For purposes of this section, in making a determination as to whether there has been or may have been an unauthorized use of the identity of an individual to obtain employment, the Secretary shall review any information—

(A) obtained from a statement described in section 6051 or an information return relating to compensation for services rendered other than as an employee, or

(B) provided to the Internal Revenue Service by the Social Security Administration regarding any statement described in section 6051,

which indicates that the social security account number provided on such statement or

information return does not correspond with the name provided on such statement or information return or the name on the tax return reporting the income which is included on such statement or information return.

(Added Pub. L. 116-25, title II, §2007(a), July 1, 2019, 133 Stat. 1005.)

EFFECTIVE DATE OF 2019 AMENDMENT

Pub. L. 116-25, title II, §2007(d), July 1, 2019, 133 Stat. 1006, provided that: "The amendments made by this section [enacting this section and amending section 432 of Title 42, The Public Health and Welfare] shall apply to determinations made after the date that is 6 months after the date of the enactment of this Act [July 1, 2019]."

PUBLIC-PRIVATE PARTNERSHIP TO ADDRESS IDENTITY THEFT REFUND FRAUD

Pub. L. 116-25, title II, §2001, July 1, 2019, 133 Stat. 1001, provided that: "The Secretary of the Treasury (or the Secretary's delegate) shall work collaboratively with the public and private sectors to protect taxpayers from identity theft refund fraud."

INFORMATION SHARING AND ANALYSIS CENTER

Pub. L. 116-25, title II, §2003(a), (b), July 1, 2019, 133 Stat. 1001, provided that:

"(a) **IN GENERAL.**—The Secretary of the Treasury (or the Secretary's delegate) may participate in an information sharing and analysis center to centralize, standardize, and enhance data compilation and analysis to facilitate sharing actionable data and information with respect to identity theft tax refund fraud.

"(b) **DEVELOPMENT OF PERFORMANCE METRICS.**—The Secretary of the Treasury (or the Secretary's delegate) shall develop metrics for measuring the success of such center in detecting and preventing identity theft tax refund fraud."

SINGLE POINT OF CONTACT FOR TAX-RELATED IDENTITY THEFT VICTIMS

Pub. L. 116-25, title II, §2006, July 1, 2019, 133 Stat. 1004, provided that:

"(a) **IN GENERAL.**—The Secretary of the Treasury (or the Secretary's delegate) shall establish and implement procedures to ensure that any taxpayer whose return has been delayed or otherwise adversely affected due to tax-related identity theft has a single point of contact at the Internal Revenue Service throughout the processing of the taxpayer's case. The single point of contact shall track the taxpayer's case to completion and coordinate with other Internal Revenue Service employees to resolve case issues as quickly as possible.

"(b) **SINGLE POINT OF CONTACT.**—

"(1) **IN GENERAL.**—For purposes of subsection (a), the single point of contact shall consist of a team or subset of specially trained employees who—

"(A) have the ability to work across functions to resolve the issues involved in the taxpayer's case; and

"(B) shall be accountable for handling the case until its resolution.

"(2) **TEAM OR SUBSET.**—The employees included within the team or subset described in paragraph (1) may change as required to meet the needs of the Internal Revenue Service, provided that procedures have been established to—

"(A) ensure continuity of records and case history; and

"(B) notify the taxpayer when appropriate."

EXAMINATION OF BOTH PAPER AND ELECTRONIC STATEMENTS AND RETURNS

Pub. L. 116-25, title II, §2007(b)(1), July 1, 2019, 133 Stat. 1006, provided that: "The Secretary of the Treasury (or the Secretary's delegate) shall examine the

statements, information returns, and tax returns described in section 7529(b)(2) of the Internal Revenue Code of 1986 (as added by subsection (a)) for any evidence of employment-related identity theft, regardless of whether such statements or returns are submitted electronically or on paper.”

UNDERREPORTING OF INCOME

Pub. L. 116-25, title II, §2007(b)(3), July 1, 2019, 133 Stat. 1006, provided that: “The Secretary of the Treasury (or the Secretary’s delegate) shall establish procedures to ensure that income reported in connection with the unauthorized use of a taxpayer’s identity is not taken into account in determining any penalty for underreporting of income by the victim of identity theft.”

GUIDELINES FOR STOLEN IDENTITY REFUND FRAUD CASES

Pub. L. 116-25, title II, §2008, July 1, 2019, 133 Stat. 1006, provided that:

“(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act [July 1, 2019], the Secretary of the Treasury (or the Secretary’s delegate), in consultation with the National Taxpayer Advocate, shall develop and implement publicly available guidelines for management of cases involving stolen identity refund fraud in a manner that reduces the administrative burden on taxpayers who are victims of such fraud.

“(b) STANDARDS AND PROCEDURES TO BE CONSIDERED.—The guidelines described in subsection (a) may include—

“(1) standards for—

“(A) the average length of time in which a case involving stolen identity refund fraud should be resolved;

“(B) the maximum length of time, on average, a taxpayer who is a victim of stolen identity refund fraud and is entitled to a tax refund which has been stolen should have to wait to receive such refund; and

“(C) the maximum number of offices and employees within the Internal Revenue Service with whom a taxpayer who is a victim of stolen identity refund fraud should be required to interact in order to resolve a case;

“(2) standards for opening, assigning, reassigning, or closing a case involving stolen identity refund fraud; and

“(3) procedures for implementing and accomplishing the standards described in paragraphs (1) and (2), and measures for evaluating such procedures and determining whether such standards have been successfully implemented.”

CHAPTER 78—DISCOVERY OF LIABILITY AND ENFORCEMENT OF TITLE

Table with 2 columns: Subchapter and Sec.1. Rows include A. Examination and inspection (7601), B. General powers and duties (7621), [C. Repealed.], and D. Possessions (7651).

AMENDMENTS

Pub. L. 94-455, title XIX, §1906(b)(13), Oct. 4, 1976, 90 Stat. 1834, struck out subchapter C relating to supervision of operations of certain manufacturers.

Subchapter A—Examination and Inspection

Table with 2 columns: Sec. and description. Rows include 7601. Canvass of districts for taxable persons and objects, 7602. Examination of books and witnesses, 7603. Service of summons, and 7604. Enforcement of summons.

1 Section numbers editorially supplied.

Table with 2 columns: Sec. and description. Rows include 7605. Time and place of examination, 7606. Entry of premises for examination of taxable objects, [7607. Repealed.], 7608. Authority of internal revenue enforcement officers, 7609. Special procedures for third-party summonses, 7610. Fees and costs for witnesses, 7611. Restrictions on church tax inquiries and examinations, 7612. Special procedures for summonses for computer software, and 7613. Cross references.

AMENDMENTS

1998—Pub. L. 105-206, title III, §3413(d), July 22, 1998, 112 Stat. 754, added items 7612 and 7613 and struck out former item 7612 “Cross references”.

1984—Pub. L. 98-573, title II, §213(b)(2), Oct. 30, 1984, 98 Stat. 2988, struck out item 7607 “Additional authority for Bureau of Customs”.

Pub. L. 98-369, div. A, title X, §1033(c)(2), July 18, 1984, 98 Stat. 1039, added item 7611 and redesignated former item 7611 as 7612.

1976—Pub. L. 94-455, title XII, §1205(b), Oct. 4, 1976, 90 Stat. 1702, substituted “Special procedures for third-party summonses” for “Cross references” in item 7609 and added items 7610 and 7611.

1970—Pub. L. 91-513, title III, §1102(g)(2), Oct. 27, 1970, 84 Stat. 1293, struck out “Bureau of Narcotics and” before “Bureau of Customs” in item 7607.

1958—Pub. L. 85-859, title II, §204(16), Sept. 2, 1958, 72 Stat. 1430, added item 7608 and redesignated former item 7608 as 7609.

1956—Act July 18, 1956, ch. 629, §104(b), 70 Stat. 570, added item 7607 and redesignated former item 7607 as 7608.

§ 7601. Canvass of districts for taxable persons and objects

(a) General rule

The Secretary shall, to the extent he deems it practicable, cause officers or employees of the Treasury Department to proceed, from time to time, through each internal revenue district and inquire after and concerning all persons therein who may be liable to pay any internal revenue tax, and all persons owning or having the care and management of any objects with respect to which any tax is imposed.

(b) Penalties

For penalties applicable to forcible obstruction or hindrance of Treasury officers or employees in the performance of their duties, see section 7212.

(Aug. 16, 1954, ch. 736, 68A Stat. 901; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

§ 7602. Examination of books and witnesses

(a) Authority to summon, etc.

For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized—