

S 2210

Tax Shelter and Tax Haven Reform Act

Congress: 108 (2003–2005, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Mar 12, 2004

Current Status: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S2783-2790)

Latest Action: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S2783-2790)  
(Mar 12, 2004)

Official Text: <https://www.congress.gov/bill/108th-congress/senate-bill/2210>

Sponsor

Name: Sen. Levin, Carl [D-MI]

Party: Democratic • State: MI • Chamber: Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Coleman, Norm [R-MN]	R · MN		Mar 12, 2004

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 12, 2004

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Tax Shelter and Tax Haven Reform Act - Amends the Internal Revenue Code to add or increase penalties for: (1) promoting abusive tax shelters; (2) aiding and abetting the understatement of tax liability; (3) failing to provide required information on a tax shelter; (4) failing to maintain a client list of tax shelter investors; (5) failing to disclose potentially abusive tax shelters; and (6) failing to report certain interests in foreign financial accounts. Extends the expiration period for assessing and collecting tax for failure to disclose information relating to a potentially abusive tax shelter. Expands the types of tax shelter activity for which the Secretary of the Treasury can obtain injunctive relief.

Authorizes the Secretary to censure or fine tax practitioners who violate standards of behavior for practice before the Department of the Treasury. Directs the Secretary to impose specified standards for issuing professional tax shelter opinions. Expands provisions denying privilege for communications between a tax shelter promoter and a corporate client to include any person directly or indirectly participating in tax shelter activities. Authorizes the Secretary to share certain tax return information with the Securities and Exchange Commission and other agencies relating to tax shelter and tax evasion activities. Revises rules allowing disclosure of tax return information by tax practitioners to certain governmental agencies, including congressional committees.

Imposes a penalty on tax practitioners who make a fee agreement with a taxpayer contingent upon actual or projected tax savings.

Expresses the sense of the Senate that additional funds should be appropriated for Internal Revenue Service enforcement efforts against abusive tax shelter activities and that the IRS should devote more of its enforcement funds for that purpose.

Sets forth rules for the application of the economic substance doctrine. Imposes additional penalties for underpayment of taxes resulting from abusive tax shelter activities and from transactions lacking economic substance.

Requires disclosure of payments of \$10,000 or more to accounts or persons located in an uncooperative tax haven (a foreign country that imposes no or nominal taxation and that has rules and practices that impede disclosure of tax information). Directs the Secretary to publish an annual list of uncooperative tax havens. Denies certain tax benefits for income attributable to activities in an uncooperative tax haven.

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## **Actions Timeline**

- **Mar 12, 2004:** Introduced in Senate
- **Mar 12, 2004:** Sponsor introductory remarks on measure. (CR S2778-2783)
- **Mar 12, 2004:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S2783-2790)