

S 1565

Tax Shelter and Tax Haven Reform Act of 2005

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Jul 29, 2005

Current Status: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S9486-9491)

Latest Action: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S9486-9491)
(Jul 29, 2005)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/1565>

Sponsor

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

Party: Democratic • **State:** MI • **Chamber:** Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Coleman, Norm [R-MN]	R · MN		Jul 29, 2005
Sen. Obama, Barack [D-IL]	D · IL		Jul 29, 2005

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jul 29, 2005

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Tax Shelter and Tax Haven Reform Act of 2005 - Amends the Internal Revenue Code to increase penalties for: (1) promoting abusive tax shelters; and (2) aiding and abetting the understatement of tax liability. Imposes a penalty for making fee arrangements for tax services based upon projected or actual tax savings.

Requires federal banking agencies and the Securities and Exchange Commission (SEC) to develop examination techniques to detect abusive tax shelter activities by certain financial institutions.

Directs the Secretary of the Treasury to disclose tax return information requested by the SEC, federal banking agencies, or the Public Company Accounting Oversight Board to aid in the investigation of tax shelter activity.

Directs the Secretary to require tax practitioners to meet certain standards for the issuance of tax opinions.

Provides for awards to individuals (whistleblowers) who provide information about tax law violations to the Secretary. Establishes a Whistleblower Office in the Internal Revenue Service.

Denies a tax deduction for fines or penalties for violations of law, except for amounts constituting restitution.

Expresses the sense of the Senate with respect to IRS enforcement efforts against abusive tax shelter activities.

Sets forth rules for the application of the economic substance doctrine. Imposes additional penalties for understatements of tax resulting from transactions lacking economic substance.

Requires disclosure of payments of \$10,000 or more to accounts or persons located in an uncooperative tax haven. Imposes enhanced penalties for underpayments of tax related to certain offshore financial arrangements.

Actions Timeline

- **Jul 29, 2005:** Introduced in Senate
- **Jul 29, 2005:** Sponsor introductory remarks on measure. (CR S9481-9486)
- **Jul 29, 2005:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S9486-9491)