

S 661

United States Tax Court Modernization Act

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Mar 17, 2005

Current Status: Placed on Senate Legislative Calendar under General Orders. Calendar No. 96.

Latest Action: Placed on Senate Legislative Calendar under General Orders. Calendar No. 96. (Apr 28, 2005)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/661>

Sponsor

Name: Sen. Hatch, Orrin G. [R-UT]

Party: Republican • **State:** UT • **Chamber:** Senate

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Baucus, Max [D-MT]	D · MT		Mar 17, 2005
Sen. Grassley, Chuck [R-IA]	R · IA		Mar 17, 2005
Sen. Lincoln, Blanche L. [D-AR]	D · AR		Mar 17, 2005

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Reported By	Apr 28, 2005

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

United States Tax Court Modernization Act - Amends the Internal Revenue Code to revise or add substantive and administrative provisions relating to the U.S. Tax Court.

Title I: Tax Court Procedure - (Sec. 101) Grants exclusive jurisdiction to the U.S. Tax Court over collection due process case appeals.

(Sec. 102) Authorizes the assignment of employment tax cases involving \$50,000 or less to special trial judges.

(Sec. 103) Permits the Tax Court to apply the doctrine of equitable recoupment (defendant's right to claim an offset against a debt in a creditor action) to the same extent that it is available in civil tax cases before the U.S. District Court and the U.S. Court of Federal Claims.

(Sec. 104) Authorizes the Tax Court to charge a filing fee of up to \$60 in any case commenced in such Court by the filing of a petition.

(Sec. 105) Authorizes the Tax Court to establish its own personnel management system incorporating certain employee protections, including merit system principles, nondiscrimination, a right of appeal in personnel matters, and protections against prohibited personnel practices.

Allows the Tax Court to: (1) appoint its own Clerk of Court, law clerks, secretaries, and other employees; (2) set the pay and other conditions of employment for such employees; and (3) hire experts and consultants.

(Sec. 106) Requires a portion of Tax Court practitioner fees to be used for services to *pro se* taxpayers (taxpayers representing themselves before the Tax Court).

Title II: Tax Court Pension and Compensation - (Sec. 201) Revises rules governing payment of annuities to surviving spouses and dependents of Tax Court judges to provide for the payment of an annuity for a judge with less than five years of service who is assassinated.

(Sec. 202) Provides for cost-of-living increases to annuities for surviving spouses and dependents of Tax Court judges based on increases paid under the Civil Service Retirement System.

(Sec. 203) Includes active and retired Tax Court judges in the Federal employees group life insurance program (FEGLI).

(Sec. 204) Authorizes the Tax Court to pay increases in the cost of Federal employee group life insurance for judges age 65 and over.

(Sec. 205) Authorizes the Tax Court to make a lump-sum payment to newly-appointed Tax Court judges for their accumulated and accrued current annual leave from prior Federal service.

(Sec. 206) Allows Tax Court judges to participate in the Thrift Savings Plan (TSP).

(Sec. 207) Exempts compensation earned by a retired Tax Court judge for teaching from treatment as outside earned income subject to limitations under the Ethics in Government Act of 1978.

(Sec. 208) Changes the title of special trial judge to magistrate judge. Authorizes the Chief Judge of the Tax Court to appoint and reappoint magistrate judges for eight-year terms. Allows the removal of a magistrate judge for specified

reasons, including incompetency, misconduct, neglect of duty, or physical or mental disability.

(Sec .209) Provides for the payment of annuities to surviving spouses and dependents of magistrate judges.

(Sec. 210) Establishes a retirement and annuity program for magistrate judges. Entitles magistrate judges who have attained the age of 65 with at least 14 years of service to retirement and annuity benefits. Sets forth provisions relating to benefits for magistrate judges upon failure of reappointment, retirement for disability, cost-of-living adjustments, and eligibility for lump-sum payments.

Establishes in the Treasury the Tax Court Judicial Officers' Retirement Fund for the financing of retirement and annuity benefits for magistrate judges.

Allows magistrate judges to participate in the Thrift Savings Plan.

(Sec. 211) Permits incumbent magistrate judges to elect participation in an annuity under the Civil Service Retirement System or the Federal Employees' Retirement System in lieu of the retirement and annuity program established by this Act.

(Sec. 212) Authorizes the Chief Judge of the Tax Court to recall retired magistrate judges for service. Limits the term of such service to 90 days in any calendar year.

Actions Timeline

- **Apr 28, 2005:** Committee on Finance. Reported by Senator Grassley with an amendment in the nature of a substitute. With written report No. 109-64.
- **Apr 28, 2005:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 96.
- **Apr 19, 2005:** Committee on Finance. Ordered to be reported with an amendment in the nature of a substitute favorably.
- **Mar 17, 2005:** Introduced in Senate
- **Mar 17, 2005:** Sponsor introductory remarks on measure. (CR S3011-3012)
- **Mar 17, 2005:** Read twice and referred to the Committee on Finance.

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