

S 2851

A bill to amend the Internal Revenue Code of 1986 to modify the penalty on the understatement of taxpayer's liability by tax return preparers.

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Apr 14, 2008

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Apr 14, 2008)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/2851>

Sponsor

Name: Sen. Bunning, Jim [R-KY]

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

Cosponsors (9 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Conrad, Kent [D-ND]	D · ND		Apr 14, 2008
Sen. Hatch, Orrin G. [R-UT]	R · UT		Apr 14, 2008
Sen. Kerry, John F. [D-MA]	D · MA		Jul 7, 2008
Sen. Cantwell, Maria [D-WA]	D · WA		Jul 10, 2008
Sen. Vitter, David [R-LA]	R · LA		Jul 28, 2008
Sen. Allard, Wayne [R-CO]	R · CO		Jul 31, 2008
Sen. Isakson, Johnny [R-GA]	R · GA		Jul 31, 2008
Sen. Stabenow, Debbie [D-MI]	D · MI		Jul 31, 2008
Sen. Bingaman, Jeff [D-NM]	D · NM		Sep 22, 2008

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 14, 2008

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
110 HR 5719	Related bill	Apr 16, 2008: Received in the Senate and Read twice and referred to the Committee on Finance.
110 HR 4318	Identical bill	Dec 6, 2007: Referred to the House Committee on Ways and Means.

Summary (as of Apr 14, 2008)

Amends the Internal Revenue Code to modify the standards for imposing penalties on tax return preparers for understatements of tax to require: (1) substantial authority for a position with respect to an item on a tax return if such position was not disclosed with the return; and (2) a reasonable basis for a position which was disclosed with the return.

Requires tax return preparers to have a reasonable belief that a position with respect to a tax shelter or a reportable transaction (a transaction having a potential for tax avoidance or evasion) will more likely than not be sustained on its merits.

Actions Timeline

- **Apr 14, 2008:** Introduced in Senate
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