

S 96

FAIR PREP Act of 2025

Congress: 119 (2025–2027, Current)

Chamber: Senate

Policy Area: Taxation

Introduced: Jan 15, 2025

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

Latest Action: Read twice and referred to the Committee on Finance. (Jan 15, 2025)

Official Text: <https://www.congress.gov/bill/119th-congress/senate-bill/96>

Sponsor

Name: Sen. Blackburn, Marsha [R-TN]

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

Cosponsors (10 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Barrasso, John [R-WY]	R · WY		Jan 15, 2025
Sen. Capito, Shelley Moore [R-WV]	R · WV		Jan 15, 2025
Sen. Cramer, Kevin [R-ND]	R · ND		Jan 15, 2025
Sen. Daines, Steve [R-MT]	R · MT		Jan 15, 2025
Sen. Hagerty, Bill [R-TN]	R · TN		Jan 15, 2025
Sen. Marshall, Roger [R-KS]	R · KS		Jan 15, 2025
Sen. Ricketts, Pete [R-NE]	R · NE		Jan 15, 2025
Sen. Risch, James E. [R-ID]	R · ID		Jan 15, 2025
Sen. Schmitt, Eric [R-MO]	R · MO		Jan 15, 2025
Sen. Tillis, Thomas [R-NC]	R · NC		Jan 15, 2025

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jan 15, 2025

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
119 HR 451	Identical bill	Jan 15, 2025: Referred to the House Committee on Ways and Means.

Fostering Autonomy in Independent Returns by Prohibiting Redundant and Extralegal Programs Act of 2025 or the FAIR PREP Act of 2025

This bill prohibits the Internal Revenue Service (IRS) from preparing federal tax returns or refund claims, with some exceptions. The bill specifically prohibits the preparation of federal income tax returns or refund claims through the IRS's Direct File program. (The Direct File program currently allows qualified taxpayers in 25 participating states to prepare and electronically file free federal tax returns through a portal on the IRS's website.)

The bill defines *prepare* with respect to federal tax returns and refund claims as (1) the completion (in whole or in part) of any form or schedule for the purpose of calculating federal taxes or refunds, and (2) the filing (either electronically or on paper) of such federal tax returns or refund claims.

However, under the bill, federal and state tax returns and refund claims may be prepared through the IRS's Free File program (a program that allows certain taxpayers to prepare and file free federal and state income tax returns using third-party tax-preparation software) or the Volunteer Income Tax Assistance grant program (through which the IRS partners with local community organizations to help low-income and disabled individuals and persons with limited English proficiency prepare and file free federal and state income tax returns).

Further, the Department of the Treasury may not award grants or enter into contracts or other transactions for the development or operation of an electronic tax preparation service.

