

117TH CONGRESS
2D SESSION

H. R. 8353

To amend the Internal Revenue Code of 1986 to make incarcerated taxpayers ineligible for recovery rebates, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 2022

Mr. BUDD introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to make incarcerated taxpayers ineligible for recovery rebates, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Pay Victims Not Pris-
5 oners Act”.

1 **SEC. 2. INCARCERATED TAXPAYERS MADE INELIGIBLE FOR**
 2 **2021 RECOVERY REBATE CREDITS.**

3 (a) 2021 RECOVERY REBATES.—Section 6428B of
 4 the Internal Revenue Code of 1986 is amended by redesigning subsections (h) and (i) as subsections (i) and (j),
 5 nating subsections (h) and (i) as subsections (i) and (j),
 6 respectively, by striking “subsection (h)(1)” each place it
 7 appears and inserting “subsection (i)(1)”, and by inserting after subsection (g) the following new subsection:

9 “(h) SPECIAL RULES WITH RESPECT TO PRISONERS.—
 10 ONERS.—

11 “(1) DISALLOWANCE OF CREDIT.—

12 “(A) IN GENERAL.—Subject to subparagraph (B), no credit shall be allowed under subsection (a) to an eligible individual who is, for
 13 graph (B), no credit shall be allowed under subsection (a) to an eligible individual who is, for
 14 section (a) to an eligible individual who is, for each day during calendar year 2021, described
 15 each day during calendar year 2021, described in clause (i), (ii), or (iii) of section 202(x)(1)(A)
 16 in clause (i), (ii), or (iii) of section 202(x)(1)(A) of the Social Security Act (42 U.S.C.
 17 of the Social Security Act (42 U.S.C. 402(x)(1)(A)).
 18 402(x)(1)(A)).

19 “(B) JOINT RETURN.—In the case of a joint return where 1 spouse is described in subparagraph (A), subsection (g) shall be applied
 20 joint return where 1 spouse is described in subparagraph (A), subsection (g) shall be applied
 21 paragraph (A), subsection (g) shall be applied by treating such spouse as having failed to include the valid identification number of such
 22 by treating such spouse as having failed to include the valid identification number of such
 23 spouse on the return of tax for the taxable year.
 24 spouse on the return of tax for the taxable year.

25 “(2) DENIAL OF ADVANCE REFUND OR CREDIT.—No refund or credit shall be made or allowed
 26 IT.—No refund or credit shall be made or allowed

1 under subsection (f) with respect to any individual
2 whom the Secretary has knowledge is, at the time of
3 any determination made pursuant to paragraph (3)
4 of such subsection, described in clause (i), (ii), or
5 (iii) of section 202(x)(1)(A) of the Social Security
6 Act.”.

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2020.

10 **SEC. 3. DISCLOSURE OF CERTAIN PRISONER TAX RETURN**
11 **INFORMATION TO DEPARTMENT OF JUSTICE.**

12 (a) IN GENERAL.—Section 6103(l) of the Internal
13 Revenue Code of 1986 is amended by adding at the end
14 the following new paragraph:

15 “(23) DISCLOSURE OF RETURN INFORMATION
16 TO DEPARTMENT OF JUSTICE TO CARRY OUT THE
17 PAY VICTIMS NOT PRISONERS ACT.—

18 “(A) IN GENERAL.—The Secretary shall,
19 upon written request from the Attorney Gen-
20 eral, disclose to officers, employees, and con-
21 tractors of the Department of Justice the re-
22 turn information of a taxpayer whose prisoner
23 commissary account may be subject to adjust-
24 ment under section 4 of the Pay Victims Not

1 Prisoners Act. Such return information shall be
2 limited to—

3 “(i) taxpayer identity information
4 with respect to such taxpayer, and

5 “(ii) with respect to the refundable
6 credit under section 6428B—

7 “(I) the amount of the refund-
8 able credit allowed to such taxpayer
9 under such section,

10 “(II) verification of whether such
11 refundable credit was disbursed elec-
12 tronically or via paper check,

13 “(III) if such refundable credit
14 was disbursed electronically,
15 verification of the account to which
16 such refund was disbursed,

17 “(IV) the date on which such re-
18 fund was disbursed, and

19 “(V) if applicable, the fact that
20 there was no refund disbursed to such
21 taxpayer with respect to such sec-
22 tion.”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to disclosures made after the date
25 of the enactment of this Act.

1 **SEC. 4. PAYMENT OF OUTSTANDING JUDGMENTS AGAINST**
2 **FEDERAL PRISONERS USING 2021 RECOVERY**
3 **REBATE CREDITS.**

4 (a) IDENTIFICATION OF PRISONERS WHO RECEIVED
5 2021 RECOVERY REBATE CREDITS.—Not later than 90
6 days after the date of enactment of this Act, the Attorney
7 General shall identify—

8 (1) the Federal prisoners who received a dis-
9 bursement of a refundable credit under section
10 6428B of the Internal Revenue Code of 1986, which
11 was disbursed to the prisoner’s commissary account;
12 and

13 (2) of the Federal prisoners identified under
14 paragraph (1), the prisoners who owe money pursu-
15 ant to a judgment issued by a Federal court.

16 (b) PAYMENT OF OUTSTANDING JUDGMENTS.—Not
17 later than 90 days after the date of enactment of this Act,
18 the Attorney General shall make payments on any judg-
19 ment described in subsection (a)(2) using amounts re-
20 maining in the prisoner’s commissary account from the
21 disbursement described in subsection (a)(1).

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