

117TH CONGRESS
1ST SESSION

H. R. 3170

To amend the Internal Revenue Code of 1986 to provide relief for taxpayers that were victims of identity theft to commit unemployment insurance fraud.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2021

Mr. WENSTRUP introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide relief for taxpayers that were victims of identity theft to commit unemployment insurance fraud.

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. RELIEF FOR TAXPAYERS THAT WERE VICTIMS**
4 **OF IDENTITY THEFT TO COMMIT UNEMPLOY-**
5 **MENT INSURANCE FRAUD.**

6 In collaboration with the Department of Labor, and
7 applicable to tax years beginning in 2020 or 2021, the
8 Commissioner of Internal Revenue shall—

9 (1) implement a process to hold harmless tax-
10 payers who are flagged for unreported income if

1 those taxpayers believe they are victims of identity
2 theft, or that fraudulent unemployment benefits
3 were claimed in their name, such that no penalties
4 or interest shall accrue against them; and

5 (2) require States to report the amount of
6 fraudulent unemployment benefits that are excluded
7 as income from Form 1099–G’s issued by the State
8 due to suspected or confirmed fraud.

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