

117TH CONGRESS
2D SESSION

H. R. 7099

To amend the Internal Revenue Code of 1986 to establish a windfall profits excise tax on crude oil and to rebate the tax collected back to individual taxpayers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2022

Mr. DEFazio (for himself, Mr. TAKANO, Ms. TLAIB, Ms. PORTER, Mr. CARSON, Mr. COHEN, Ms. KAPTUR, Mr. GARCÍA of Illinois, Ms. TITUS, Mr. JONES, Ms. ROSS, Mr. GRIJALVA, Mr. WELCH, Mr. MALINOWSKI, Ms. JAYAPAL, Ms. UNDERWOOD, Ms. PINGREE, and Ms. BARRAGÁN) 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 establish a windfall profits excise tax on crude oil and to rebate the tax collected back to individual taxpayers, 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 “Stop Gas Price
5 Gouging Tax and Rebate Act”.

1 **SEC. 2. WINDFALL PROFITS TAX.**

2 (a) IN GENERAL.—Subtitle E of the Internal Rev-
 3 enue Code of 1986 (relating to alcohol, tobacco, and cer-
 4 tain other excise taxes) is amended by adding at the end
 5 thereof the following new chapter:

6 **“CHAPTER 56—WINDFALL PROFITS ON**
 7 **CRUDE OIL**

“Sec. 5896. Imposition of tax.

“Sec. 5897. Windfall profit.

“Sec. 5898. Special rules and definitions.

8 **“SEC. 5896. IMPOSITION OF TAX.**

9 “(a) IN GENERAL.—In addition to any other tax im-
 10 posed under this title, there is hereby imposed on any ap-
 11 plicable taxpayer an excise tax in an amount equal to 50
 12 percent of the excess of the windfall profit (as defined in
 13 section 5897(a)) of such taxpayer.

14 “(b) APPLICABLE TAXPAYER.—For purposes of this
 15 chapter, the term ‘applicable taxpayer’ means, with re-
 16 spect to a taxable year, a producer of crude oil—

17 “(1) which has an average daily worldwide pro-
 18 duction of crude oil of at least 300,000 barrels for
 19 the taxable year, and

20 “(2) which had gross receipts in excess of
 21 \$1,000,000,000 for its last taxable year ending dur-
 22 ing calendar year 2005.

23 For purposes of this subsection, all persons treated as a
 24 single employer under subsections (a) and (b) of section

1 52 shall be treated as 1 person and, in case of a short
2 taxable year, the rule under section 448(c)(3)(B) shall
3 apply.

4 **“SEC. 5897. WINDFALL PROFIT.**

5 “(a) GENERAL RULE.—For purposes of this chapter,
6 the term ‘windfall profit’ means the excess of the adjusted
7 taxable income of the applicable taxpayer for taxable year
8 2022 over the reasonably inflated average profit for such
9 taxable year.

10 “(b) ADJUSTED TAXABLE INCOME.—For purposes of
11 this chapter, with respect to any applicable taxpayer, the
12 adjusted taxable income for taxable year 2022 is equal to
13 the taxable income for such taxable year (within the mean-
14 ing of section 63 and determined without regard to this
15 subsection)—

16 “(1) increased by any interest expense deduc-
17 tion, charitable contribution deduction, and any net
18 operating loss deduction carried forward from any
19 prior taxable year, and

20 “(2) reduced by any interest income, dividend
21 income, and net operating losses to the extent such
22 losses exceed taxable income for the taxable year.

23 In the case of any applicable taxpayer which is a foreign
24 corporation, the adjusted taxable income shall be deter-
25 mined with respect to such income which is effectively con-

1 nected with the conduct of a trade or business in the
 2 United States.

3 “(c) REASONABLY INFLATED AVERAGE PROFIT.—
 4 For purposes of this chapter, with respect to any applica-
 5 ble taxpayer, the reasonably inflated average profit for any
 6 taxable year is an amount equal to the average of the ad-
 7 justed taxable income of such taxpayer for taxable years
 8 beginning during the 2015–2019 taxable year period (de-
 9 termined without regard to the taxable year with the high-
 10 est adjusted taxable income in such period) plus 10 per-
 11 cent of such average.

12 **“SEC. 5898. SPECIAL RULES AND DEFINITIONS.**

13 “(a) WITHHOLDING AND DEPOSIT OF TAX.—The
 14 Secretary shall provide such rules as are necessary for the
 15 withholding and deposit of the tax imposed under section
 16 5896.

17 “(b) RECORDS AND INFORMATION.—Each taxpayer
 18 liable for tax under section 5896 shall keep such records,
 19 make such returns, and furnish such information as the
 20 Secretary may by regulations prescribe.

21 “(c) RETURN OF WINDFALL PROFIT TAX.—The Sec-
 22 retary shall provide for the filing and the time of such
 23 filing of the return of the tax imposed under section 5896.

24 “(d) CRUDE OIL.—The term ‘crude oil’ includes
 25 crude oil condensates and natural gasoline.

1 “(e) BUSINESSES UNDER COMMON CONTROL.—For
2 purposes of this chapter, all members of the same con-
3 trolled group of corporations (within the meaning of sec-
4 tion 267(f)) and all persons under common control (within
5 the meaning of section 52(b) but determined by treating
6 an interest of more than 50 percent as a controlling inter-
7 est) shall be treated as 1 person.

8 “(f) REGULATIONS.—The Secretary shall prescribe
9 such regulations as may be necessary or appropriate to
10 carry out the purposes of this chapter.”.

11 (b) CLERICAL AMENDMENT.—The table of chapters
12 for subtitle E of the Internal Revenue Code of 1986 is
13 amended by adding at the end the following new item:

“CHAPTER 56. WINDFALL PROFIT ON CRUDE OIL.”.

14 (c) DEDUCTIBILITY OF WINDFALL PROFIT TAX.—
15 The first sentence of section 164(a) of the Internal Rev-
16 enue Code of 1986 (relating to deduction for taxes) is
17 amended by inserting after paragraph (5) the following
18 new paragraph:

19 “(6) The windfall profit tax imposed by section
20 5896.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2021.

1 **SEC. 3. ENERGY PRICE REBATES.**

2 (a) IN GENERAL.—Subchapter B of chapter 65 of the
3 Internal Revenue Code of 1986 is amended by adding at
4 the end the following new section:

5 **“SEC. 6433. ENERGY PRICE REBATES.**

6 “(a) IN GENERAL.—In the case of an eligible indi-
7 vidual, there shall be allowed as a credit against the tax
8 imposed by subtitle A for taxable year 2022 an amount
9 equal to the sum of the energy price rebate amount for
10 each month beginning in such taxable year.

11 “(b) ENERGY PRICE REBATE AMOUNT.—For pur-
12 poses of this section—

13 “(1) IN GENERAL.—The term ‘energy price re-
14 bate amount’ means, with respect to any taxpayer
15 for any month beginning in taxable year 2022, an
16 amount determined by the Secretary as soon as
17 practicable after the end of such month taking into
18 account the number of eligible individuals and the
19 amount of revenues in the general fund resulting
20 from the tax imposed by section 5896 for such
21 month.

22 “(2) SPECIAL RULE FOR JOINT RETURNS.—In
23 the case of an eligible individual filing a joint return,
24 the energy price rebate amount shall be 150 percent
25 of the amount determined under paragraph (1) with
26 respect to other taxpayers.

1 “(3) LIMITATION BASED ON ADJUSTED GROSS
 2 INCOME.—The amount of the credit allowed by sub-
 3 section (a) (determined without regard to this sub-
 4 section and subsection (e)) shall be reduced (but not
 5 below zero) by 5 percent of so much of the eligible
 6 individual’s adjusted gross income as exceeds—

7 “(A) \$150,000 in the case of a joint re-
 8 turn,

9 “(B) \$112,500 in the case of a head of
 10 household, and

11 “(C) \$75,000 in any other case.

12 “(c) ELIGIBLE INDIVIDUAL.—For purposes of this
 13 section, the term ‘eligible individual’ means any individual
 14 other than—

15 “(1) any nonresident alien individual,

16 “(2) any individual who is a dependent of an-
 17 other taxpayer for a taxable year beginning in the
 18 calendar year in which the individual’s taxable year
 19 begins, and

20 “(3) an estate or trust.

21 “(d) DEFINITIONS AND SPECIAL RULES.—

22 “(1) DEPENDENT DEFINED.—For purposes of
 23 this section, the term ‘dependent’ has the meaning
 24 given such term by section 152.

1 “(2) IDENTIFICATION NUMBER REQUIRE-
2 MENT.—

3 “(A) IN GENERAL.—In the case of a re-
4 turn other than a joint return, the energy price
5 rebate amount in subsection (b)(1) shall be
6 treated as being zero unless the taxpayer in-
7 cludes the valid identification number of the
8 taxpayer on the return of tax for the taxable
9 year.

10 “(B) JOINT RETURNS.—In the case of a
11 joint return, the energy price rebate amount in
12 subsection (b)(1) shall be treated as being—

13 “(i) 50 percent of the amount other-
14 wise determined without regard to this
15 paragraph if the valid identification num-
16 ber of only 1 spouse is included on the re-
17 turn of tax for the taxable year, and

18 “(ii) zero if the valid identification
19 number of neither spouse is so included.

20 “(C) VALID IDENTIFICATION NUMBER.—

21 For purposes of this paragraph, the term ‘valid
22 identification number’ means a social security
23 number issued to an individual by the Social
24 Security Administration on or before the due
25 date for filing the return for the taxable year.

1 “(D) SPECIAL RULE FOR MEMBERS OF
2 THE ARMED FORCES.—Subparagraph (B) shall
3 not apply in the case where at least 1 spouse
4 was a member of the Armed Forces of the
5 United States at any time during the taxable
6 year and the valid identification number of at
7 least 1 spouse is included on the return of tax
8 for the taxable year.

9 “(E) COORDINATION WITH CERTAIN AD-
10 VANCE PAYMENTS.—In the case of any payment
11 determined pursuant to subsection (f)(6), a
12 valid identification number shall be treated for
13 purposes of this paragraph as included on the
14 taxpayer’s return of tax if such valid identifica-
15 tion number is available to the Secretary as de-
16 scribed in such subsection.

17 “(F) MATHEMATICAL OR CLERICAL ERROR
18 AUTHORITY.—Any omission of a correct valid
19 identification number required under this para-
20 graph shall be treated as a mathematical or
21 clerical error for purposes of applying section
22 6213(g)(2) to such omission.

23 “(3) CREDIT TREATED AS REFUNDABLE.—The
24 credit allowed by subsection (a) shall be treated as

1 allowed by subpart C of part IV of subchapter A of
2 chapter 1.

3 “(e) COORDINATION WITH ADVANCE REFUNDS OF
4 CREDIT.—

5 “(1) REDUCTION OF REFUNDABLE CREDIT.—

6 The amount of the credit which would (but for this
7 paragraph) be allowable under subsection (a) for any
8 taxable year shall be reduced (but not below zero) by
9 the aggregate refunds and credits made or allowed
10 to the taxpayer (or, except as otherwise provided by
11 the Secretary, any dependent of the taxpayer) under
12 subsection (f) for such taxable year. Any failure to
13 so reduce the credit shall be treated as arising out
14 of a mathematical or clerical error and assessed ac-
15 cording to section 6213(b)(1).

16 “(2) JOINT RETURNS.—Except as otherwise
17 provided by the Secretary, in the case of a refund
18 or credit made or allowed under subsection (f) with
19 respect to a joint return, half of such refund or cred-
20 it shall be treated as having been made or allowed
21 to each individual filing such return.

22 “(f) ADVANCE REFUNDS AND CREDITS.—

23 “(1) IN GENERAL.—Subject to paragraphs (5)
24 and (6), for any rebate taxable year, each individual
25 who was an eligible individual for such individual’s

1 first taxable year beginning in 2020 shall be treated
2 as having made a payment against the tax imposed
3 by chapter 1 for such applicable taxable year in an
4 amount equal to advance refund amount for such re-
5 bate taxable year.

6 “(2) ADVANCE REFUND AMOUNT.—

7 “(A) IN GENERAL.—For purposes of para-
8 graph (1), the advance refund amount is the
9 amount that would have been allowed as a cred-
10 it under this section for such taxable year if
11 this section (other than subsection (e) and this
12 subsection) had applied to such taxable year.

13 “(B) TREATMENT OF DECEASED INDIVID-
14 UALS.—For purposes of determining the ad-
15 vanced refund amount with respect to such tax-
16 able year—

17 “(i) any individual who was deceased
18 before January 1, 2022 shall be treated for
19 purposes of applying subsection (d)(2) in
20 the same manner as if the valid identifica-
21 tion number of such person was not in-
22 cluded on the return of tax for the applica-
23 ble taxable year (except that subparagraph
24 (D) thereof shall not apply), and

1 “(ii) notwithstanding clause (i), in the
2 case of a joint return with respect to which
3 only 1 spouse is deceased before January
4 1, 2022, such deceased spouse was a mem-
5 ber of the Armed Forces of the United
6 States at any time during the applicable
7 taxable year, and the valid identification
8 number of such deceased spouse is in-
9 cluded on the return of tax for the applica-
10 ble taxable year, the valid identification
11 number of 1 (and only 1) spouse shall be
12 treated as included on the return of tax for
13 the applicable taxable year for purposes of
14 applying subsection (d)(2)(B) with respect
15 to such joint return.

16 “(3) TIMING AND MANNER OF PAYMENTS.—
17 The Secretary shall, subject to the provisions of this
18 title, refund or credit any overpayment attributable
19 to this section and determined with respect to any
20 month as rapidly as possible, consistent with a rapid
21 effort to make payments attributable to such over-
22 payments electronically if appropriate. No refund or
23 credit shall be made or allowed under this subsection
24 after December 31, 2022.

1 “(4) NO INTEREST.—No interest shall be al-
2 lowed on any overpayment attributable to this sub-
3 section.

4 “(5) APPLICATION TO INDIVIDUALS WHO HAVE
5 FILED A RETURN OF TAX FOR 2021.—

6 “(A) APPLICATION TO 2021 RETURNS
7 FILED AT TIME OF INITIAL DETERMINATION.—
8 If, at the time of any determination made pur-
9 suant to paragraph (3), the individual referred
10 to in paragraph (1) has filed a return of tax for
11 the individual’s first taxable year beginning in
12 2021, paragraph (1) shall be applied with re-
13 spect to such individual by substituting ‘2021’
14 for ‘2020’.

15 “(B) ADDITIONAL PAYMENT.—

16 “(i) IN GENERAL.—In the case of any
17 individual who files, before the additional
18 payment determination date, a return of
19 tax for such individual’s first taxable year
20 beginning in 2021, the Secretary shall
21 make a payment (in addition to any pay-
22 ment made under paragraph (1)) to such
23 individual equal to the excess (if any) of—

24 “(I) the amount which would be
25 determined under paragraph (1)

1 (after the application of subparagraph
2 (A)) by applying paragraph (1) as of
3 the additional payment determination
4 date, over

5 “(II) the amount of any payment
6 made with respect to such individual
7 under paragraph (1).

8 “(ii) ADDITIONAL PAYMENT DETER-
9 MINATION DATE.—The term ‘additional
10 payment determination date’ means the
11 earlier of—

12 “(I) the date which is 90 days
13 after the 2021 calendar year filing
14 deadline, or

15 “(II) September 1, 2022.

16 “(6) APPLICATION TO CERTAIN INDIVIDUALS
17 WHO HAVE NOT FILED A RETURN OF TAX FOR 2020
18 OR 2021 AT THE TIME OF DETERMINATION.—In the
19 case of any individual who, at the time of any deter-
20 mination made pursuant to paragraph (3), has filed
21 a tax return for neither the year described in para-
22 graph (1) nor for the year described in paragraph
23 (5)(A), the Secretary shall, consistent with rules
24 similar to the rules of section 6428A(f)(5)(H)(i),
25 apply paragraph (1) on the basis of information

1 available to the Secretary and shall, on the basis of
2 such information, determine the advance refund
3 amount with respect to such individual without re-
4 gard to subsection (d) unless the Secretary has rea-
5 son to know that such amount would otherwise be
6 reduced by reason of such subsection.

7 “(7) SPECIAL RULE RELATED TO TIME OF FIL-
8 ING RETURN.—Solely for purposes of this sub-
9 section, a return of tax shall not be treated as filed
10 until such return has been processed by the Internal
11 Revenue Service.

12 “(g) REGULATIONS.—The Secretary shall prescribe
13 such regulations or other guidance as may be necessary
14 or appropriate to carry out the purposes of this section,
15 including—

16 “(1) regulations or other guidance providing
17 taxpayers the opportunity to provide the Secretary
18 information sufficient to allow the Secretary to make
19 payments to such taxpayers under subsection (f) (in-
20 cluding the determination of the amount of such
21 payment) if such information is not otherwise avail-
22 able to the Secretary, and

23 “(2) regulations or other guidance to ensure to
24 the maximum extent administratively practicable
25 that, in determining the amount of any credit under

1 subsection (a) and any credit or refund under sub-
2 section (f), an individual is not taken into account
3 more than once, including by different taxpayers and
4 including by reason of a change in joint return sta-
5 tus or dependent status between the taxable year for
6 which an advance refund amount is determined and
7 the taxable year for which a credit under subsection
8 (a) is determined.

9 “(h) OUTREACH.—The Secretary shall carry out a
10 robust and comprehensive outreach program to ensure
11 that all taxpayers described in subsection (g)(1) learn of
12 their eligibility for the advance refunds and credits under
13 subsection (f); are advised of the opportunity to receive
14 such advance refunds and credits as provided under sub-
15 section (g)(1); and are provided assistance in applying for
16 such advance refunds and credits.”.

17 (b) TREATMENT OF CERTAIN POSSESSIONS.—

18 (1) PAYMENTS TO POSSESSIONS WITH MIRROR
19 CODE TAX SYSTEMS.—The Secretary of the Treas-
20 ury shall pay to each possession of the United States
21 which has a mirror code tax system amounts equal
22 to the loss (if any) to that possession by reason of
23 the amendments made by this section. Such
24 amounts shall be determined by the Secretary of the

1 Treasury based on information provided by the gov-
2 ernment of the respective possession.

3 (2) PAYMENTS TO OTHER POSSESSIONS.—The
4 Secretary of the Treasury shall pay to each posses-
5 sion of the United States which does not have a mir-
6 ror code tax system amounts estimated by the Sec-
7 retary of the Treasury as being equal to the aggre-
8 gate benefits (if any) that would have been provided
9 to residents of such possession by reason of the
10 amendments made by this section if a mirror code
11 tax system had been in effect in such possession.
12 The preceding sentence shall not apply unless the re-
13 spective possession has a plan, which has been ap-
14 proved by the Secretary of the Treasury, under
15 which such possession will promptly distribute such
16 payments to its residents.

17 (3) INCLUSION OF ADMINISTRATIVE EX-
18 PENSES.—The Secretary of the Treasury shall pay
19 to each possession of the United States to which the
20 Secretary makes a payment under paragraph (1) or
21 (2) an amount equal to the increase (if any) of the
22 administrative expenses of such possession—

23 (A) in the case of a possession described in
24 paragraph (1), by reason of the amendments
25 made by this section, and

1 (B) in the case of a possession described in
 2 paragraph (2), by reason of carrying out the
 3 plan described in such paragraph, or

4 The amount described in subparagraph (A) shall be
 5 determined by the Secretary of the Treasury based
 6 on information provided by the government of the
 7 respective possession.

8 (4) COORDINATION WITH CREDIT ALLOWED
 9 AGAINST UNITED STATES INCOME TAXES.—No cred-
 10 it shall be allowed against United States income
 11 taxes under section 6433 of the Internal Revenue
 12 Code of 1986 (as added by this section), nor shall
 13 any credit or refund be made or allowed under sub-
 14 section (f) of such section, to any person—

15 (A) to whom a credit is allowed against
 16 taxes imposed by the possession by reason of
 17 the amendments made by this section, or

18 (B) who is eligible for a payment under a
 19 plan described in paragraph (2).

20 (5) MIRROR CODE TAX SYSTEM.—For purposes
 21 of this subsection, the term “mirror code tax sys-
 22 tem” means, with respect to any possession of the
 23 United States, the income tax system of such posses-
 24 sion if the income tax liability of the residents of
 25 such possession under such system is determined by

1 reference to the income tax laws of the United
2 States as if such possession were the United States.

3 (6) TREATMENT OF PAYMENTS.—For purposes
4 of section 1324 of title 31, United States Code, the
5 payments under this subsection shall be treated in
6 the same manner as a refund due from a credit pro-
7 vision referred to in subsection (b)(2) of such sec-
8 tion.

9 (c) ADMINISTRATIVE PROVISIONS.—

10 (1) DEFINITION OF DEFICIENCY.—Section
11 6211(b)(4)(A) of the Internal Revenue Code of 1986
12 is amended by striking “6428A, 6428B” and insert-
13 ing “6428A, 6428B, 6433,”.

14 (2) EXCEPTION FROM REDUCTION OR OFF-
15 SET.—Any refund payable by reason of section
16 6433(f) of the Internal Revenue Code of 1986 (as
17 added by this section), or any such refund payable
18 by reason of subsection (b) of this section, shall not
19 be—

20 (A) subject to reduction or offset pursuant
21 to subsection (c), (d), (e), or (f) of section 6402
22 of the Internal Revenue Code of 1986 or any
23 similar authority permitting offset, or

1 (B) reduced or offset by other assessed
2 Federal taxes that would otherwise be subject
3 to levy or collection.

4 (3) ASSIGNMENT OF BENEFITS.—

5 (A) IN GENERAL.—The right of any per-
6 son to any applicable payment shall not be
7 transferable or assignable, at law or in equity,
8 and no applicable payment shall be subject to,
9 execution, levy, attachment, garnishment, or
10 other legal process, or the operation of any
11 bankruptcy or insolvency law.

12 (B) ENCODING OF PAYMENTS.—In the
13 case of an applicable payment described in sub-
14 paragraph (E)(iii)(I) that is paid electronically
15 by direct deposit through the Automated Clear-
16 ing House (ACH) network, the Secretary of the
17 Treasury (or the Secretary's delegate) shall—

18 (i) issue the payment using a unique
19 identifier that is reasonably sufficient to
20 allow a financial institution to identify the
21 payment as an applicable payment, and

22 (ii) further encode the payment pursu-
23 ant to the same specifications as required
24 for a benefit payment defined in section

1 212.3 of title 31, Code of Federal Regula-
2 tions.

3 (C) GARNISHMENT.—

4 (i) ENCODED PAYMENTS.—In the case
5 of a garnishment order that applies to an
6 account that has received an applicable
7 payment that is encoded as provided in
8 subparagraph (B), a financial institution
9 shall follow the requirements and proce-
10 dures set forth in part 212 of title 31,
11 Code of Federal Regulations, except—

12 (I) notwithstanding section 212.4
13 of title 31, Code of Federal Regula-
14 tions (and except as provided in sub-
15 clause (II)), a financial institution
16 shall not fail to follow the procedures
17 of sections 212.5 and 212.6 of such
18 title with respect to a garnishment
19 order merely because such order has
20 attached, or includes, a notice of right
21 to garnish federal benefits issued by a
22 State child support enforcement agen-
23 cy, and

24 (II) a financial institution shall
25 not, with regard to any applicable

1 payment, be required to provide the
2 notice referenced in sections 212.6
3 and 212.7 of title 31, Code of Federal
4 Regulations.

5 (ii) OTHER PAYMENTS.—In the case
6 of a garnishment order (other than an
7 order that has been served by the United
8 States) that has been received by a finan-
9 cial institution and that applies to an ac-
10 count into which an applicable payment
11 that has not been encoded as provided in
12 subparagraph (B) has been deposited elec-
13 tronically on any date during the lookback
14 period or into which an applicable payment
15 that has been deposited by check on any
16 date in the lookback period, the financial
17 institution, upon the request of the account
18 holder, shall treat the amount of the funds
19 in the account at the time of the request,
20 up to the amount of the applicable pay-
21 ment (in addition to any amounts other-
22 wise protected under part 212 of title 31,
23 Code of Federal Regulations), as exempt
24 from a garnishment order without requir-
25 ing the consent of the party serving the

1 garnishment order or the judgment cred-
2 itor.

3 (iii) LIABILITY.—A financial institu-
4 tion that acts in good faith in reliance on
5 clauses (i) or (ii) shall not be subject to li-
6 ability or regulatory action under any Fed-
7 eral or State law, regulation, court or other
8 order, or regulatory interpretation for ac-
9 tions concerning any applicable payments.

10 (D) NO RECLAMATION RIGHTS.—This
11 paragraph shall not alter the status of applica-
12 ble payments as tax refunds or other nonbenefit
13 payments for purpose of any reclamation rights
14 of the Department of the Treasury or the Inter-
15 nal Revenue Service as per part 210 of title 31,
16 Code of Federal Regulations.

17 (E) DEFINITIONS.—For purposes of this
18 paragraph—

19 (i) ACCOUNT HOLDER.—The term
20 “account holder” means a natural person
21 whose name appears in a financial institu-
22 tion’s records as the direct or beneficial
23 owner of an account.

24 (ii) ACCOUNT REVIEW.—The term
25 “account review” means the process of ex-

1 amining deposits in an account to deter-
2 mine if an applicable payment has been de-
3 posited into the account during the
4 lookback period. The financial institution
5 shall perform the account review following
6 the procedures outlined in section 212.5 of
7 title 31, Code of Federal Regulations and
8 in accordance with the requirements of sec-
9 tion 212.6 of title 31, Code of Federal
10 Regulations.

11 (iii) APPLICABLE PAYMENT.—The
12 term “applicable payment” means—

13 (I) any payment made to an indi-
14 vidual under this section (other than
15 any payment made pursuant to para-
16 graph (5)),

17 (II) any advance payment made
18 by a possession of the United States
19 with a mirror code tax system (as de-
20 fined in section 24(h)) pursuant to an
21 election under paragraph (5)(B)
22 which corresponds to a payment de-
23 scribed in subclause (I), and

24 (III) any advance payment made
25 by American Samoa pursuant to a

1 program for making such payments
2 which is described in paragraph
3 (5)(C)(ii).

4 (iv) GARNISHMENT.—The term “gar-
5 nishment” means execution, levy, attach-
6 ment, garnishment, or other legal process.

7 (v) GARNISHMENT ORDER.—The term
8 “garnishment order” means a writ, order,
9 notice, summons, judgment, levy, or simi-
10 lar written instruction issued by a court, a
11 State or State agency, a municipality or
12 municipal corporation, or a State child
13 support enforcement agency, including a
14 lien arising by operation of law for overdue
15 child support or an order to freeze the as-
16 sets in an account, to effect a garnishment
17 against a debtor.

18 (vi) LOOKBACK PERIOD.—The term
19 “lookback period” means the two-month
20 period that begins on the date preceding
21 the date of account review and ends on the
22 corresponding date of the month two
23 months earlier, or on the last date of the
24 month two months earlier if the cor-
25 responding date does not exist.

1 (4) CONFORMING AMENDMENTS.—

2 (A) Paragraph (2) of section 1324(b) of
3 title 31, United States Code, is amended by in-
4 serting “6433,” after “6431,”.

5 (B) The table of sections for subchapter B
6 of chapter 65 of the Internal Revenue Code of
7 1986 is amended by adding at the end the fol-
8 lowing new item:

“Sec. 6433. Energy price rebates.”.

○