

118TH CONGRESS  
1ST SESSION

# H. R. 5872

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2023

Ms. TITUS (for herself, Ms. STEVENS, Mr. HILL, Mr. BEYER, and Ms. TENNEY) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, 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 Tax Penalties  
5 on American Hostages Act”.

1 **SEC. 2. POSTPONEMENT OF TAX DEADLINES FOR HOS-**  
2 **TAGES AND INDIVIDUALS WRONGFULLY DE-**  
3 **TAINED ABROAD.**

4 (a) IN GENERAL.—Chapter 77 of the Internal Rev-  
5 enue Code of 1986 is amended by inserting after section  
6 7510 the following new section:

7 **“SEC. 7511. TIME FOR PERFORMING CERTAIN ACTS POST-**  
8 **PONED FOR HOSTAGES AND INDIVIDUALS**  
9 **WRONGFULLY DETAINED ABROAD.**

10 “(a) TIME TO BE DISREGARDED.—

11 “(1) IN GENERAL.—Any applicable individual  
12 shall be entitled to the benefits of section 7508 in  
13 the same manner as if such individual was per-  
14 forming services described in subsection (a) of such  
15 section for any period in which such individual  
16 was—

17 “(A) unlawfully or wrongfully detained  
18 abroad, or

19 “(B) held hostage abroad.

20 “(2) APPLICATION TO SPOUSE.—The provisions  
21 of paragraph (1) shall apply to the spouse of any in-  
22 dividual entitled to the benefits of such paragraph.

23 “(b) APPLICABLE INDIVIDUAL.—

24 “(1) IN GENERAL.—For purposes of this sec-  
25 tion, the term ‘applicable individual’ means any indi-  
26 vidual who is—

1           “(A) included on the list of United States  
2           nationals unlawfully or wrongfully detained that  
3           is included in the annual report required under  
4           section 302(e) of the Robert Levinson Hostage  
5           Recovery and Hostage-Taking Accountability  
6           Act (22 U.S.C. 1741(e)), or

7           “(B) a United States national taken hos-  
8           tage abroad, as determined pursuant to the  
9           findings of the Hostage Recovery Fusion Cell  
10          (as described in section 304 of the Robert  
11          Levinson Hostage Recovery and Hostage-Tak-  
12          ing Accountability Act (22 U.S.C. 1741b)).

13          “(2) INFORMATION PROVIDED TO TREASURY.—

14          For purposes of identifying individuals described in  
15          paragraph (1), not later than January 1, 2024, and  
16          annually thereafter—

17                 “(A) the Secretary of State shall provide  
18                 the Secretary with the report described in para-  
19                 graph (1)(A), as well as any other information  
20                 necessary to identify the individuals described  
21                 in such report, and

22                 “(B) the Attorney General, acting through  
23                 the Hostage Recovery Fusion Cell, shall provide  
24                 the Secretary with a list of the individuals de-  
25                 scribed in paragraph (1)(B), as well as any

1           other information necessary to identify such in-  
2           dividuals.

3           “(c) REFUND AND ABATEMENT OF PENALTIES AND  
4 FINES IMPOSED PRIOR TO IDENTIFICATION AS APPLICA-  
5 BLE INDIVIDUAL.—In the case of any applicable indi-  
6 vidual—

7           “(1) for whom any interest, penalty, additional  
8           amount, or addition to the tax in respect to any tax  
9           liability for any taxable year ending during the pe-  
10          riod described in subsection (a)(1) was assessed or  
11          collected, and

12          “(2) who was, subsequent to such assessment  
13          or collection, included on the list described in sub-  
14          section (b)(1)(A) or determined pursuant to sub-  
15          section (b)(1)(B) to be a United States national  
16          taken hostage abroad,

17          the Secretary shall abate any such assessment and refund  
18          any amount collected to such applicable individual in the  
19          same manner as any refund of an overpayment of tax.”.

20          (b) CLERICAL AMENDMENT.—The table of sections  
21          for chapter 77 of the Internal Revenue Code of 1986 is  
22          amended by inserting after the item relating to section  
23          7510 the following new item:

          “Sec. 7511. Time for performing certain acts postponed for hostages and indi-  
          viduals wrongfully detained abroad.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years ending after the  
3 date of enactment of this Act.

4 **SEC. 3. REFUND AND ABATEMENT OF PENALTIES AND**  
5 **FINES PAID BY ELIGIBLE INDIVIDUALS.**

6       (a) IN GENERAL.—Section 7511 of the Internal Rev-  
7 enue Code of 1986, as added by section 2, is amended  
8 by adding at the end the following new subsection:

9       “(c) REFUND AND ABATEMENT OF PENALTIES AND  
10 FINES PAID BY ELIGIBLE INDIVIDUALS.—

11           “(1) IN GENERAL.—

12                   “(A) ESTABLISHMENT.—Not later than  
13 January 1, 2024, the Secretary (in consultation  
14 with the Secretary of State and the Attorney  
15 General) shall establish a program to allow any  
16 eligible individual (or the spouse or any depend-  
17 ent (as defined in section 152) of such indi-  
18 vidual) to apply for a refund or an abatement  
19 of any amount described in paragraph (2) (in-  
20 cluding interest) to the extent such amount was  
21 attributable to the applicable period.

22                   “(B) IDENTIFICATION OF INDIVIDUALS.—  
23 Not later than January 1, 2024, the Secretary  
24 of State and the Attorney General, acting  
25 through the Hostage Recovery Fusion Cell (as

1 described in section 304 of the Robert Levinson  
2 Hostage Recovery and Hostage-Taking Ac-  
3 countability Act (22 U.S.C. 1741b)), shall—

4 “(i) compile a list, based on such in-  
5 formation as is available, of individuals  
6 who were applicable individuals during the  
7 applicable period, and

8 “(ii) provide the list described in  
9 clause (i) to the Secretary.

10 “(C) NOTICE.—For purposes of carrying  
11 out the program described in subparagraph (A),  
12 the Secretary (in consultation with the Sec-  
13 retary of State and the Attorney General) shall,  
14 with respect to any individual identified under  
15 subparagraph (B), provide notice to such indi-  
16 vidual—

17 “(i) in the case of an individual who  
18 has been released on or before the date of  
19 enactment of this subsection, not later  
20 than 90 days after the date of enactment  
21 of this subsection, or

22 “(ii) in the case of an individual who  
23 is released after the date of enactment of  
24 this subsection, not later than 90 days

1           after the date on which such individual is  
2           released,  
3           that such individual may be eligible for a refund  
4           or an abatement of any amount described in  
5           paragraph (2) pursuant to the program de-  
6           scribed in subparagraph (A).

7           “(D) AUTHORIZATION.—

8                   “(i) IN GENERAL.—Subject to clause  
9                   (ii), in the case of any refund described in  
10                  subparagraph (A), the Secretary shall  
11                  issue such refund to the eligible individual  
12                  in the same manner as any refund of an  
13                  overpayment of tax.

14                  “(ii) EXTENSION OF LIMITATION ON  
15                  TIME FOR REFUND.—With respect to any  
16                  refund under subparagraph (A)—

17                           “(I) the 3-year period of limita-  
18                           tion prescribed by section 6511(a)  
19                           shall not expire before the date which  
20                           is 1 year after the date the notice de-  
21                           scribed in subparagraph (C) is pro-  
22                           vided to the eligible individual, and

23                           “(II) any limitation under section  
24                           6511(b)(2) shall not apply.

1           “(2) ELIGIBLE INDIVIDUAL.—For purposes of  
2 this subsection, the term ‘eligible individual’ means  
3 any applicable individual who, for any taxable year  
4 ending during the applicable period, paid or incurred  
5 any interest, penalty, additional amount, or addition  
6 to the tax in respect to any tax liability for such  
7 year of such individual based on a determination  
8 that an act described in paragraph (1) of section  
9 7508(a) which was not performed by the time pre-  
10 scribed therefor (without regard to any extensions).

11           “(3) APPLICABLE PERIOD.—For purposes of  
12 this subsection, the term ‘applicable period’ means  
13 the period—

14                   “(A) beginning on January 1, 2021, and

15                   “(B) ending on the date of enactment of  
16 this subsection.”.

17           (b) EFFECTIVE DATE.—The amendment made by  
18 this section shall apply to taxable years ending on or be-  
19 fore the date of enactment of this Act.

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