

119TH CONGRESS
2D SESSION

S. _____

To require validation of electronic filing identification numbers used to
electronically file tax returns and other documents.

IN THE SENATE OF THE UNITED STATES

Ms. CORTEZ MASTO (for herself and Mrs. BLACKBURN) introduced the fol-
lowing bill; which was read twice and referred to the Committee on

A BILL

To require validation of electronic filing identification num-
bers used to electronically file tax returns and other
documents.

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 “Strengthening EFIN
5 Confirmation for User Reliability and Electronic (SE-
6 CURE) Tax Filing Act”.

7 **SEC. 2. VALIDATION OF ELECTRONIC FILING IDENTIFICA-**
8 **TION NUMBERS.**

9 (a) DEFINITIONS.—For purposes of this section:

1 (1) EFIN OR ELECTRONIC FILING IDENTIFICA-
2 TION NUMBER.—The term “EFIN” or “electronic
3 filing identification number” means the unique iden-
4 tifier issued by the Secretary to authorize a person
5 or entity to electronically file returns or other docu-
6 ments with the Secretary on behalf of taxpayers.

7 (2) RETURN OR OTHER DOCUMENT.—The term
8 “return or other document” means—

9 (A) any return of Federal tax, and

10 (B) except as provided by the Secretary,
11 any other document required to be filed with
12 the Secretary under the Internal Revenue Code
13 of 1986.

14 (3) SECRETARY.—The term “Secretary” means
15 the Secretary of the Treasury or the Secretary’s del-
16 egate.

17 (b) VALIDATION REQUIRED.—

18 (1) IN GENERAL.—An EFIN may not be used
19 to electronically file any return or other document
20 unless the Secretary has validated, in accordance
21 with the program established under subsection (c),
22 that—

23 (A) the EFIN as active, and

1 (B) the person to whom the EFIN was
2 issued is authorized to perform the electronic
3 filing activity for which the EFIN is used.

4 (2) VALIDATION THROUGH ELECTRONIC FILING
5 SOFTWARE.—Software which enables the electronic
6 filing of returns or other documents with the Sec-
7 retary—

8 (A) shall require validation of an EFIN
9 through the program established under sub-
10 section (c), and

11 (B) shall not permit such electronic filing
12 unless such EFIN has been validated as pro-
13 vided in paragraph (1).

14 (c) VALIDATION PROGRAM.—

15 (1) IN GENERAL.—Not later than 24 months
16 after the date of the enactment of this Act, the Sec-
17 retary shall establish and maintain a program for
18 the validation of EFINS.

19 (2) TIMING AND FREQUENCY OF VALIDA-
20 TION.—The Secretary shall validate an EFIN—

21 (A) prior to the initial use of such EFIN
22 for electronic filing, and

23 (B) at such intervals, or upon such events,
24 as the Secretary determines appropriate, to en-

1 sure the continued validity and integrity of such
2 EFIN.

3 (3) REAL-TIME VALIDATION SYSTEM.—

4 (A) IN GENERAL.—The program estab-
5 lished under this subsection shall provide a real-
6 time system for the validation of EFINs.

7 (B) SYSTEM REQUIREMENTS.—The system
8 provided under subparagraph (A) shall—

9 (i) provide immediate confirmation of
10 the validity status of an EFIN under sub-
11 section (b)(1),

12 (ii) identify whether an EFIN has
13 been suspended, revoked, or compromised
14 or is otherwise ineligible for the activity for
15 which it is used, and

16 (iii) be designed to support secure,
17 automated, and high-volume validation re-
18 quests, including usage by large-scale tax
19 preparation software systems.

20 (C) ACCESS.—The Secretary shall—

21 (i) provide access to the system in
22 such secure and standardized form and
23 manner as the Secretary may prescribe,
24 and

(ii) accept a validation request only from a person authenticated and authorized in accordance with requirements prescribed by the Secretary and only with respect to an EFIN and electronic filing activity for which such person is authorized to request validation, whether on its own behalf or in connection with services provided to the person to whom the EFIN was issued

11 (4) IMPLEMENTATION PLAN AND REPORT.—

(A) IMPLEMENTATION PLAN.—Not later than 180 days after the date of enactment of this section, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives an implementation plan for the program established under this subsection. Such plan shall include—

20 (i) a description of the planned design
21 and operation of the program;

(ii) the implementation timeline,
major milestones, and testing schedule;

1 (iii) the categories of persons eligible
2 to submit validation requests and the pro-
3 cedures for authorizing such persons;

4 (iv) the proposed performance and re-
5 liability standards and contingency proce-
6 dures; and

7 (v) a description of the administrative,
8 technical, and physical safeguards to pre-
9 vent unauthorized discovery, enumeration,
10 testing, or bulk verification of EFINs.

11 (B) POST-IMPLEMENTATION REPORT.—

12 Not later than 2 years after the date on which
13 the program under paragraph (1) is established,
14 the Secretary shall submit to the Committee on
15 Finance of the Senate and the Committee on
16 Ways and Means of the House of Representa-
17 tives a report on the implementation and oper-
18 ation of the program. Such report shall in-
19 clude—

20 (i) the performance of the program,
21 including system availability, response
22 times, and peak-volume performance;

23 (ii) the number, duration, and effect
24 on electronic filing of any material service
25 disruptions;

- 1 (iii) the aggregate number of valida-
2 tion requests and the aggregate number of
3 affirmative, negative, and unable-to-vali-
4 date responses;
- 5 (iv) the nature and extent of any use
6 of contingency procedures;
- 7 (v) any material deviation from the
8 implementation plan submitted under sub-
9 paragraph (A), and the actions taken or
10 planned to address such deviation; and
- 11 (vi) any recommendations for admin-
12 istrative or legislative changes.