

## Summary of the Tax Collection Responsibility Act of 2007

The Tax Collection Responsibility Act of 2007, H.R. 3056, contains the following provisions. The bill is revenue neutral.

- 1. Repeal of IRS authority to enter into private debt collection contracts.** The provision would repeal the IRS's authority to enter into contracts with private companies to collect federal income taxes.
- 2. Delay application of withholding requirement on certain governmental payments for goods and services.** The provision would delay, for one year (to December 31, 2011), the application of the three percent withholding requirement on governmental payments for goods and services.
- 3. Increase information return penalties.** The provision increases penalties (per return and annual cap) on failures to provide Form 1099 information returns.
- 4. Repeal of suspension on certain penalties and interest.** The provision would repeal the suspension of interest and penalties on certain tax deficiencies (e.g., due to negligence) where the IRS has notified a taxpayer after 36 months.
- 5. Revision of tax rules on expatriation.** The provision would impose an immediate tax on individuals that renounce their U.S. citizenship and would mark-to-market gains on property of expatriating individuals.
- 6. Increase corporate estimated tax payment requirements.** The provision would temporarily increase, for three months in 2012, required estimated tax payment for certain large corporations.