


(Original Signature of Member)

111TH CONGRESS
1ST SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to eliminate the restriction on reducing Federal income tax refunds for past-due State income tax obligations of out-of-state residents in the case of States with reciprocal agreements with the Federal Government to reduce State income tax refunds for Federal income tax obligations.

IN THE HOUSE OF REPRESENTATIVES

Mr. LEWIS of Georgia (for himself and ~~for the Committee on Education and the Labor Force~~) introduced the following bill; which was referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to eliminate the restriction on reducing Federal income tax refunds for past-due State income tax obligations of out-of-state residents in the case of States with reciprocal agreements with the Federal Government to reduce State income tax refunds for Federal income tax obligations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “State Tax Administra-
3 tion Assistance Act of 2009”.

4 SEC. 2. ELIMINATION OF RESTRICTION ON REDUCING FED-
5 ERAL INCOME TAX REFUNDS FOR PAST-DUE
6 STATE INCOME TAX OBLIGATIONS OF OUT-
7 OF-STATE RESIDENTS IN THE CASE OF
8 STATES WITH RECIPROCAL AGREEMENTS
9 WITH THE FEDERAL GOVERNMENT TO RE-
10 DUCE STATE INCOME TAX REFUNDS FOR
11 FEDERAL INCOME TAX OBLIGATIONS.

12 (a) IN GENERAL.—Paragraph (2) of section 6402(e)
13 of the Internal Revenue Code of 1986 is amended—

14 (1) by striking “Paragraph (1)” and inserting
15 the following:

16 “(A) IN GENERAL.—Paragraph (1)”, and

17 (2) by adding at the end the following new sub-
18 paragraph:

19 “(B) EXCEPTION FOR STATES WHICH
20 HAVE RECIPROCAL AGREEMENTS WITH SEC-
21 RETARY.—Subparagraph (A) shall not apply
22 with respect to any State seeking an offset if
23 such State has in effect a reciprocal agreement
24 with the Secretary under which such State
25 agrees to offset the amount of any overpayment
26 of State income tax payable to any person by

1 the amount of any Federal income tax obliga-
2 tion of such person under a program similar to
3 the program described in paragraph (1).”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on the date of the enactment
6 of this Act.