

# Union Calendar No. 526

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7959

[Report No. 119-606]

To amend the Internal Revenue Code of 1986 to make improvements with respect to the treatment of whistleblowers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2026

Mr. KELLY of Pennsylvania (for himself and Mr. THOMPSON of California) introduced the following bill; which was referred to the Committee on Ways and Means

APRIL 9, 2026

Additional sponsors: Mrs. MILLER of West Virginia, Mr. BUCHANAN, Mr. MORAN, and Mr. SMITH of Nebraska

APRIL 9, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on March 17, 2026]

# **A BILL**

To amend the Internal Revenue Code of 1986 to make improvements with respect to the treatment of whistleblowers, 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; ETC.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the “IRS*  
 5 *Whistleblower Program Improvement Act”.*

6 (b) *AMENDMENT OF 1986 CODE.*—*Except as otherwise*  
 7 *expressly provided, whenever in this Act an amendment is*  
 8 *expressed in terms of an amendment to a section or other*  
 9 *provision, the reference shall be considered to be made to*  
 10 *a section or other provision of the Internal Revenue Code*  
 11 *of 1986.*

12 (c) *REFERENCES TO SECRETARY.*—*For purposes of*  
 13 *this Act, the term “Secretary” means the Secretary of the*  
 14 *Treasury or the Secretary’s delegate.*

15 (d) *TABLE OF CONTENTS.*—*The table of contents of*  
 16 *this Act is as follows:*

*Sec. 1. Short title; etc.*

*Sec. 2. Standard and scope of review of whistleblower award determinations.*

*Sec. 3. Whistleblower privacy protections.*

*Sec. 4. Modification of IRS whistleblower report.*

*Sec. 5. Interest on whistleblower awards.*

*Sec. 6. Correction regarding deductions for attorney’s fees.*

17 **SEC. 2. STANDARD AND SCOPE OF REVIEW OF WHISTLE-**  
 18 **BLOWER AWARD DETERMINATIONS.**

19 (a) *IN GENERAL.*—*Paragraph (4) of section 7623(b)*  
 20 *is amended—*

21 (1) *by striking “appealed to” and inserting “re-*  
 22 *viewed by”, and*

1           (2) *by adding at the end the following: “Any re-*  
2           *view by the Tax Court under the preceding sentence*  
3           *shall be de novo and shall be based on the administra-*  
4           *tive record established at the time of the original de-*  
5           *termination and any additional newly discovered or*  
6           *previously unavailable evidence.”.*

7           (b) *CONFORMING AMENDMENT.—The heading of para-*  
8           *graph (4) of section 7623(b) is amended by striking “AP-*  
9           *PEAL” and inserting “REVIEW”.*

10          (c) *EFFECTIVE DATE.—The amendments made by this*  
11          *section shall apply to petitions under section 7623(b)(4) of*  
12          *the Internal Revenue Code of 1986 which are pending on,*  
13          *or filed on or after, the date of the enactment of this Act.*

14          **SEC. 3. WHISTLEBLOWER PRIVACY PROTECTIONS.**

15          (a) *IN GENERAL.—Paragraph (6) of section 7623(b)*  
16          *is amended by adding at the end the following new subpara-*  
17          *graph:*

18                               “(D) *WHISTLEBLOWER ANONYMITY BEFORE*  
19                               *THE TAX COURT.—Notwithstanding sections*  
20                               *7458 and 7461, a whistleblower may elect to pro-*  
21                               *ceed anonymously before the Tax Court for all*  
22                               *proceedings under this section absent a finding*  
23                               *by the Tax Court that a societal interest exists*  
24                               *for disclosing the whistleblower’s identity which*

1           *exceeds the potential harm disclosure could cause*  
2           *to the whistleblower.”.*

3           **(b) EFFECTIVE DATE.**—*The amendments made by this*  
4 *section shall apply to petitions under section 7623(b)(4) of*  
5 *the Internal Revenue Code of 1986 which are pending on,*  
6 *or filed on or after, the date of the enactment of this Act.*

7 **SEC. 4. MODIFICATION OF IRS WHISTLEBLOWER REPORT.**

8           **(a) IN GENERAL.**—*Section 406(c) of division A of the*  
9 *Tax Relief and Health Care Act of 2006 is amended by*  
10 *striking “such use,” in paragraph (1) and inserting “such*  
11 *use (which shall include a list and descriptions of the top*  
12 *tax avoidance schemes, not to exceed 10, disclosed by whis-*  
13 *tleblowers during such year),”.*

14           **(b) EFFECTIVE DATE.**— *The amendments made by*  
15 *this section shall apply to reports for fiscal years ending*  
16 *after the enactment of this Act.*

17 **SEC. 5. INTEREST ON WHISTLEBLOWER AWARDS.**

18           **(a) IN GENERAL.**—*Section 7623(b) is amended by*  
19 *adding at the end the following new paragraph:*

20                   **“(7) INTEREST.**—

21                           **“(A) IN GENERAL.**—*If the Secretary has not*  
22 *provided notice to an individual described in*  
23 *paragraph (1) of a preliminary award rec-*  
24 *ommendation before the applicable date, the*  
25 *amount of any award under this subsection shall*

1           *include interest from such date at the overpay-*  
2           *ment rate under section 6621(a).*

3           “(B) *EXCEPTION.*—*No interest shall accrue*  
4           *under this paragraph after the date on which the*  
5           *Secretary provides notice to the individual of a*  
6           *preliminary award recommendation.*

7           “(C) *APPLICABLE DATE.*—*For purposes of*  
8           *this paragraph, the applicable date is the date*  
9           *that is 12 months after the first date on which—*

10            “(i) *all of the proceeds resulting from*  
11            *actions subject to the award recommenda-*  
12            *tion have been collected, and*

13            “(ii) *either—*

14                “(I) *the statutory period for filing*  
15                *a claim or suit for refund has expired,*  
16                *or*

17                “(II) *the taxpayers subject to the*  
18                *actions and the Secretary have agreed*  
19                *with finality to the tax or other liabil-*  
20                *ities for the periods at issue, and either*  
21                *the taxpayers have waived the right to*  
22                *file a claim or suit for refund or any*  
23                *claim or suit for refund has been re-*  
24                *solved.”.*

25            “(b) *EFFECTIVE DATE.*—

1           (1) *IN GENERAL.*—*The amendments made by*  
2 *this section shall take effect 180 days after the date*  
3 *of the enactment of this Act.*

4           (2) *SPECIAL RULE.*—*If, as of the date described*  
5 *in paragraph (1)—*

6                   (A) *the Secretary has not provided notice to*  
7 *the individual of a preliminary award rec-*  
8 *ommendation as described in paragraph (7)(A)*  
9 *of section 7623(b) of the Internal Revenue Code*  
10 *of 1986, as added by this Act, and*

11                   (B) *the applicable date provided in para-*  
12 *graph (7)(C) of such section, as so added, has*  
13 *passed,*

14 *the applicable date for purposes of such paragraph*  
15 *(7)(C) is the date that is 12 months after the date de-*  
16 *scribed in paragraph (1).*

17 **SEC. 6. CORRECTION REGARDING DEDUCTIONS FOR AT-**  
18 **TORNEY'S FEES.**

19           (a) *IN GENERAL.*—*Section 62(a)(21)(A)(i) is amended*  
20 *by striking “7623(b)” and inserting “7623”.*

21           (b) *EFFECTIVE DATE.*—*The amendment made by this*  
22 *section shall apply to taxable years ending after the date*  
23 *of the enactment of this Act.*

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119<sup>TH</sup> CONGRESS  
2D Session

**H. R. 7959**

[Report No. 119-6061]

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