

119TH CONGRESS
1ST SESSION

H. R. 1075

To amend the Internal Revenue Code of 1986 to make improvements related to tax administration.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 2025

Mr. LAHOOD (for himself, Ms. DELBENE, Mr. FEENSTRA, Mr. SCHNEIDER, Mr. FITZPATRICK, and Mr. PANETTA) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to make improvements related to tax administration.

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 “Tax Administration
5 Simplification Act”.

1 **SEC. 2. APPLICATION OF MAILBOX RULE TO DOCUMENTS**
2 **AND PAYMENTS ELECTRONICALLY SUB-**
3 **MITTED TO THE INTERNAL REVENUE SERV-**
4 **ICE.**

5 (a) IN GENERAL.—Section 7502(c) of the Internal
6 Revenue Code of 1986 is amended—

7 (1) in the heading, by inserting “AND PAY-
8 MENT” after “FILING”,

9 (2) in paragraph (2)—

10 (A) in the heading, by striking “; ELEC-
11 TRONIC FILING”, and

12 (B) by striking “and electronic filing”, and

13 (3) by adding at the end the following:

14 “(3) ELECTRONIC FILING AND PAYMENT.—

15 “(A) IN GENERAL.—If any return, claim,
16 statement, or other document required to be
17 filed, or any payment required to be made,
18 within a prescribed period or on or before a
19 prescribed date under authority of any provision
20 of the internal revenue laws is sent electroni-
21 cally by any person to the agency, officer, or of-
22 fice with which such return, claim, statement,
23 or other document is required to be filed, or to
24 which such payment is required to be made, the
25 date on which such return, claim, statement, or
26 other document, or payment, is sent electroni-

1 cally by such person shall be deemed to be the
2 date of delivery or the date of payment, as the
3 case may be, regardless of the date on which
4 the applicable agency, officer, or office receives
5 or reviews such return, claim, statement, docu-
6 ment, or payment.

7 “(B) REGULATIONS.—Not later than De-
8 cember 31, 2025, the Secretary shall issue such
9 regulations or other guidance as the Secretary
10 determines necessary to carry out the purposes
11 of this paragraph.”.

12 (b) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to any document or payment sent
14 after December 31, 2025.

15 **SEC. 3. EXTENSION OF TIME FOR MAKING S CORPORATION**
16 **ELECTIONS.**

17 (a) IN GENERAL.—Section 1362(b) of the Internal
18 Revenue Code of 1986 is amended to read as follows:

19 “(b) WHEN MADE.—

20 “(1) IN GENERAL.—An election under sub-
21 section (a) may be made by a small business cor-
22 poration for any taxable year not later than the due
23 date for filing the return of the S corporation for
24 such taxable year (including extensions).

1 “(2) CERTAIN ELECTIONS TREATED AS MADE
2 FOR NEXT TAXABLE YEAR.—If—

3 “(A) an election under subsection (a) is
4 made for any taxable year within the period de-
5 scribed in paragraph (1), but

6 “(B) either—

7 “(i) on 1 or more days in such taxable
8 year and before the day on which the elec-
9 tion was made the corporation did not
10 meet the requirements of subsection (b) of
11 section 1361, or

12 “(ii) 1 or more of the persons who
13 held stock in the corporation during such
14 taxable year and before the election was
15 made did not consent to the election,

16 then such election shall be treated as made for
17 the following taxable year.

18 “(3) AUTHORITY TO TREAT LATE ELECTIONS,
19 ETC., AS TIMELY.—If—

20 “(A) an election under subsection (a) is
21 made for any taxable year after the date pre-
22 scribed by this subsection for making such elec-
23 tion for such taxable year or no such election is
24 made for any taxable year, and

1 “(B) the Secretary determines that there
2 was reasonable cause for the failure to timely
3 make such election,
4 the Secretary may treat such an election as timely
5 made for such taxable year.

6 “(4) ELECTION ON TIMELY FILED RETURNS.—
7 Except as otherwise provided by the Secretary, an
8 election under subsection (a) for any taxable year
9 may be made on a timely filed return of the S cor-
10 poration for such taxable year.

11 “(5) SECRETARIAL AUTHORITY.—The Secretary
12 may prescribe such regulations, rules, or other guid-
13 ance as may be necessary or appropriate for pur-
14 poses of applying this subsection.”.

15 (b) COORDINATION WITH CERTAIN OTHER PROVI-
16 SIONS.—

17 (1) QUALIFIED SUBCHAPTER S SUBSIDI-
18 ARIES.—Section 1361(b)(3)(B) of such Code is
19 amended by adding at the end the following flush
20 sentence:

21 “Rules similar to the rules of section 1362(b)
22 shall apply with respect to any election under
23 clause (ii).”.

1 (2) QUALIFIED SUBCHAPTER S TRUSTS.—Sec-
2 tion 1361(d)(2) of such Code is amended by striking
3 subparagraph (D).

4 (c) REVOCATIONS.—Section 1362(d)(1) of such Code
5 is amended—

6 (1) by striking “subparagraph (D)” in subpara-
7 graph (C) and inserting “subparagraphs (D) and
8 (E)”, and

9 (2) by adding at the end the following new sub-
10 paragraph:

11 “(E) AUTHORITY TO TREAT LATE REVOCATIONS AS
12 TIMELY.—If—

13 “(i) a revocation under subparagraph
14 (A) is made for any taxable year after the
15 date prescribed by this paragraph for mak-
16 ing such revocation for such taxable year
17 or no such revocation is made for any tax-
18 able year, and

19 “(ii) the Secretary determines that
20 there was reasonable cause for the failure
21 to timely make such revocation,
22 the Secretary may treat such a revocation as
23 timely made for such taxable year.”.

24 (d) EFFECTIVE DATE.—

