

114TH CONGRESS
1ST SESSION

H. R. 1562

AN ACT

To prohibit the awarding of a contract or grant in excess of the simplified acquisition threshold unless the prospective contractor or grantee certifies in writing to the agency awarding the contract or grant that the contractor or grantee has no seriously delinquent tax debts, 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.**

4 This Act may be cited as the “Contracting and Tax
5 Accountability Act of 2015”.

6 **SEC. 2. GOVERNMENTAL POLICY.**

7 It is the policy of the United States Government that
8 no Government contracts or grants should be awarded to
9 individuals or companies with seriously delinquent Federal
10 tax debts.

11 **SEC. 3. DISCLOSURE AND EVALUATION OF CONTRACT OF-**
12 **FERS FROM DELINQUENT FEDERAL DEBT-**
13 **ORS.**

14 (a) IN GENERAL.—The head of any executive agency
15 that issues an invitation for bids or a request for proposals
16 for a contract in an amount greater than the simplified
17 acquisition threshold shall require each person that sub-
18 mits a bid or proposal to submit with the bid or proposal
19 a form—

20 (1) certifying that the person does not have a
21 seriously delinquent tax debt; and

22 (2) authorizing the Secretary of the Treasury to
23 disclose to the head of the agency information lim-
24 ited to describing whether the person has a seriously
25 delinquent tax debt.

1 (b) IMPACT ON RESPONSIBILITY DETERMINATION.—

2 The head of any executive agency, in evaluating any offer
3 received in response to a solicitation issued by the agency
4 for bids or proposals for a contract, shall consider a certifi-
5 cation that the offeror has a seriously delinquent tax debt
6 to be definitive proof that the offeror is not a responsible
7 source as defined in section 113 of title 41, United States
8 Code.

9 (c) DEBARMENT.—

10 (1) REQUIREMENT.—Except as provided in
11 paragraph (2), the head of an executive agency shall
12 initiate a suspension or debarment proceeding
13 against a person after receiving an offer for a con-
14 tract from such person if—

15 (A) such offer contains a certification (as
16 required under subsection (a)(1)) that such per-
17 son has a seriously delinquent tax debt; or

18 (B) the head of the agency receives infor-
19 mation from the Secretary of the Treasury (as
20 authorized under subsection (a)(2)) dem-
21 onstrating that such a certification submitted
22 by such person is false.

23 (2) WAIVER.—The head of an executive agency
24 may waive paragraph (1) with respect to a person
25 based upon a written finding of urgent and compel-

1 ling circumstances significantly affecting the inter-
2 ests of the United States. If the head of an executive
3 agency waives paragraph (1) for a person, the head
4 of the agency shall submit to Congress, within 30
5 days after the waiver is made, a report containing
6 the rationale for the waiver and relevant information
7 supporting the waiver decision.

8 (d) **RELEASE OF INFORMATION.**—The Secretary of
9 the Treasury, in consultation with the Director of the Of-
10 fice of Management and Budget, shall make available to
11 all executive agencies a standard form for the authoriza-
12 tion described in subsection (a).

13 (e) **REVISION OF REGULATIONS.**—Not later than 270
14 days after the date of enactment of this subsection, the
15 Federal Acquisition Regulation shall be revised to incor-
16 porate the requirements of this section.

17 **SEC. 4. DISCLOSURE AND EVALUATION OF GRANT APPLI-**
18 **CATIONS FROM DELINQUENT FEDERAL**
19 **DEBTORS.**

20 (a) **IN GENERAL.**—The head of any executive agency
21 that offers a grant in excess of an amount equal to the
22 simplified acquisition threshold shall require each person
23 applying for a grant to submit with the grant application
24 a form—

1 (1) certifying that the person does not have a
2 seriously delinquent tax debt; and

3 (2) authorizing the Secretary of the Treasury to
4 disclose to the head of the executive agency informa-
5 tion limited to describing whether the person has a
6 seriously delinquent tax debt.

7 (b) IMPACT ON DETERMINATION OF FINANCIAL STA-
8 BILITY.—The head of any executive agency, in evaluating
9 any application for a grant offered by the agency, shall
10 consider a certification that the grant applicant has a seri-
11 ously delinquent tax debt to be definitive proof that the
12 applicant is high-risk and, if the applicant is awarded the
13 grant, shall take appropriate measures under guidelines
14 issued by the Office of Management and Budget for en-
15 hanced oversight of high-risk grantees.

16 (c) DEBARMENT.—

17 (1) REQUIREMENT.—Except as provided in
18 paragraph (2), the head of an executive agency shall
19 initiate a suspension or debarment proceeding
20 against a person after receiving a grant application
21 from such person if—

22 (A) such application contains a certifi-
23 cation (as required under subsection (a)(1))
24 that such person has a seriously delinquent tax
25 debt; or

1 (B) the head of the agency receives infor-
2 mation from the Secretary of the Treasury (as
3 authorized under subsection (a)(2)) dem-
4 onstrating that such a certification submitted
5 by such person is false.

6 (2) WAIVER.—The head of an executive agency
7 may waive paragraph (1) with respect to a person
8 based upon a written finding of urgent and compel-
9 ling circumstances significantly affecting the inter-
10 ests of the United States. If the head of an executive
11 agency waives paragraph (1) for a person, the head
12 of the agency shall submit to Congress, within 30
13 days after the waiver is made, a report containing
14 the rationale for the waiver and relevant information
15 supporting the waiver decision.

16 (d) RELEASE OF INFORMATION.—The Secretary of
17 the Treasury, in consultation with the Director of the Of-
18 fice of Management and Budget, shall make available to
19 all executive agencies a standard form for the authoriza-
20 tion described in subsection (a).

21 (e) REVISION OF REGULATIONS.—Not later than 270
22 days after the date of the enactment of this section, the
23 Director of the Office of Management and Budget shall
24 revise such regulations as necessary to incorporate the re-
25 quirements of this section.

1 **SEC. 5. DEFINITIONS AND SPECIAL RULES.**

2 For purposes of this Act:

3 (1) PERSON.—

4 (A) IN GENERAL.—The term “person” in-
5 cludes—

- 6 (i) an individual;
7 (ii) a partnership; and
8 (iii) a corporation.

9 (B) EXCLUSION.—The term “person” does
10 not include an individual seeking assistance
11 through a grant entitlement program.

12 (C) TREATMENT OF CERTAIN PARTNER-
13 SHIPS.—A partnership shall be treated as a
14 person with a seriously delinquent tax debt if
15 such partnership has a partner who—

- 16 (i) holds an ownership interest of 50
17 percent or more in that partnership; and
18 (ii) has a seriously delinquent tax
19 debt.

20 (D) TREATMENT OF CERTAIN CORPORA-
21 TIONS.—A corporation shall be treated as a
22 person with a seriously delinquent tax debt if
23 such corporation has an officer or a shareholder
24 who—

- 25 (i) holds 50 percent or more, or a con-
26 trolling interest that is less than 50 per-

1 cent, of the outstanding shares of cor-
2 porate stock in that corporation; and

3 (ii) has a seriously delinquent tax
4 debt.

5 (2) EXECUTIVE AGENCY.—The term “executive
6 agency” has the meaning given such term in section
7 133 of title 41, United States Code.

8 (3) SERIOUSLY DELINQUENT TAX DEBT.—

9 (A) IN GENERAL.—The term “seriously de-
10 linquent tax debt” means a Federal tax liability
11 that—

12 (i) has been assessed by the Secretary
13 of the Treasury under the Internal Rev-
14 enue Code of 1986, and

15 (ii) may be collected by the Secretary
16 by levy or by a proceeding in court.

17 (B) EXCEPTIONS.—Such term does not in-
18 clude—

19 (i) a debt that is being paid in a time-
20 ly manner pursuant to an agreement under
21 section 6159 or section 7122 of such Code;

22 (ii) a debt with respect to which a col-
23 lection due process hearing under section
24 6330 of such Code, or relief under sub-

1 section (a), (b), or (f) of section 6015 of
2 such Code, is requested or pending;

3 (iii) a debt with respect to which a
4 continuous levy has been issued under sec-
5 tion 6331 of such Code (or, in the case of
6 an applicant for employment, a debt with
7 respect to which the applicant agrees to be
8 subject to such a levy); and

9 (iv) a debt with respect to which such
10 a levy is released under section
11 6343(a)(1)(D) of such Code.

12 **SEC. 6. EFFECTIVE DATE.**

13 This Act shall apply with respect to contracts and
14 grants awarded on or after the date occurring 270 days
15 after the date of the enactment of this Act.

Passed the House of Representatives April 15, 2015.

Attest:

Clerk.

114TH CONGRESS
1ST SESSION

H. R. 1562

AN ACT

To prohibit the awarding of a contract or grant in excess of the simplified acquisition threshold unless the prospective contractor or grantee certifies in writing to the agency awarding the contract or grant that the contractor or grantee has no seriously delinquent tax debts, and for other purposes.