

117TH CONGRESS  
1ST SESSION

# H. R. 4895

To direct the Secretary of Treasury to establish a Federal office to oversee local guaranteed income pilots and to implement a national guaranteed income program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2021

Ms. OMAR (for herself, Ms. BUSH, Mr. EVANS, Mr. BOWMAN, and Ms. JAYAPAL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To direct the Secretary of Treasury to establish a Federal office to oversee local guaranteed income pilots and to implement a national guaranteed income program, 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 “Sending Unconditional  
5 Payments to People Overcoming Resistances to Triumph  
6 Act of 2021” or the “SUPPORT Act of 2021”.

1 **SEC. 2. TABLE OF CONTENTS.**

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.  
 Sec. 2. Table of contents.  
 Sec. 3. Secretary defined.

TITLE I—GUARANTEED INCOME PROGRAMS

- Sec. 101. Definitions.  
 Sec. 102. Office of Guaranteed Income Programs.  
 Sec. 103. Guaranteed income pilot program.

TITLE II—GUARANTEED INCOME TAX CREDIT

- Sec. 201. Establishment of the guaranteed income tax credit.

TITLE III—FEDACCOUNTS

- Sec. 301. Creation and integration of FedAccounts.

3 **SEC. 3. SECRETARY DEFINED.**

4 In this Act, the term “Secretary” means the Sec-  
 5 retary of Treasury (or the Secretary’s delegate).

6 **TITLE I—GUARANTEED INCOME**  
 7 **PROGRAMS**

8 **SEC. 101. DEFINITIONS.**

9 In this title:

10 (1) COMMUNITY DEVELOPMENT FINANCIAL IN-  
 11 STITUTION.—The term “community development fi-  
 12 nancial institution” has the meaning given such  
 13 term in section 103 of the Community Development  
 14 Banking and Financial Institutions Act of 1994 (12  
 15 U.S.C. 4702).

16 (2) DIRECTOR.—The term “Director” means  
 17 the Director of the Office of Guaranteed Income  
 18 Programs established under section 102.

1           (3) UNIT OF GENERAL LOCAL GOVERNMENT.—

2           The term “unit of general local government” has the  
3           meaning given such term in section 102 of the  
4           Housing and Community Development Act of 1974  
5           (42 U.S.C. 5302).

6   **SEC. 102. OFFICE OF GUARANTEED INCOME PROGRAMS.**

7           (a) ESTABLISHMENT.—There is established an Office  
8           of Guaranteed Income Programs (in this section referred  
9           to as the “Office”).

10          (b) DIRECTOR.—The Office shall be headed by a Di-  
11          rector, who shall be appointed by the Secretary.

12          (c) DUTIES.—The Director shall assist the Secretary  
13          in—

14                  (1) carrying out the pilot program established  
15                  in section 103; and

16                  (2) implementing the Federal tax credit estab-  
17                  lished in title II.

18          (d) PARTNERSHIPS WITH OTHER FEDERAL AGEN-  
19          CIES.—

20                  (1) IN GENERAL.—The Secretary may consult  
21                  with Federal agencies to—

22                          (A) establish the organizational structure  
23                          and functionality of the Office; and

24                          (B) meet the purposes of this Act.

1           (2) SPECIFIC DUTIES OF OTHER FEDERAL  
2 AGENCIES.—

3           (A) DEPARTMENT OF HOUSING AND  
4 URBAN DEVELOPMENT.—In order to assist the  
5 Secretary the Secretary of Housing and Urban  
6 Development shall provide administrative exper-  
7 tise with respect to grantmaking to units of  
8 general local government through the commu-  
9 nity development block grant program under  
10 title I of the Housing and Community Develop-  
11 ment Act of 1974 (42 U.S.C. 5301 et seq.).

12           (B) DEPARTMENT OF HEALTH AND  
13 HUMAN SERVICES.—The Secretary of Health  
14 and Human Services shall provide to the Sec-  
15 retary and the Director research consulting  
16 from the Office of Planning, Research, and  
17 Evaluation and such Office's experience with  
18 the Temporary Assistance for Needy Families  
19 Program.

20           (C) INTERNAL REVENUE SERVICE.—The  
21 Commissioner of Internal Revenue shall provide  
22 to the Secretary access to tax records to admin-  
23 ister and analyze the program under section  
24 103 and to update the Secretary on changes to

1 the taxable income of an individual under this  
2 title and title II.

3 (D) SOCIAL SECURITY ADMINISTRATION.—

4 The Commissioner of Social Security shall pro-  
5 vide to the Secretary access to identifying  
6 records and addresses to identify individuals  
7 under this title and title II receiving supple-  
8 mental security income benefits or social secu-  
9 rity disability insurance benefits.

10 (e) DATA SHARING.—As determined necessary, the  
11 Secretary may work with other relevant Federal agencies  
12 for the purposes of sharing and updating personal identi-  
13 fication information and consolidating a database of indi-  
14 viduals who may receive cash payments under this title  
15 and title II.

16 (f) NATIONAL ECONOMIC ADVISORY COUNCIL.—

17 (1) ESTABLISHMENT.—The Director shall es-  
18 tablish within the Office a National Economic Advi-  
19 sory Council to make recommendations with respect  
20 to improving performance and coordination of basic  
21 income pilot programs.

22 (2) MEMBERSHIP.—The National Economic  
23 Advisory Council shall be composed of 10 members  
24 as follows:

25 (A) The Director.

1 (B) The following members appointed by  
2 the Director:

3 (i) One representative from a national  
4 nonprofit civil rights organization.

5 (ii) One representative from a na-  
6 tional labor organization.

7 (iii) One representative from an eco-  
8 nomic research organization with expertise  
9 in cash-transfer programs.

10 (iv) One representative from a com-  
11 munity advocacy organization with exper-  
12 tise in cash-transfer programs.

13 (v) One representative from a commu-  
14 nity development financial institution.

15 (vi) Two individuals eligible for cash  
16 payments under this title or title II.

17 (C) Two members appointed by the Sec-  
18 retary.

19 (3) RECOMMENDATIONS.—The Council shall  
20 submit to the Secretary and Congress annual rec-  
21 ommendations relating to the policies and regula-  
22 tions of the Office.

23 **SEC. 103. GUARANTEED INCOME PILOT PROGRAM.**

24 (a) IN GENERAL.—The Secretary shall implement a  
25 5-year guaranteed income pilot program (in this section

1 referred to as the “Program”) to provide grants to eligible  
2 entities to assist in carrying out a qualifying pilot pro-  
3 gram.

4 (b) QUALIFYING PILOT PROGRAM DEFINED.—In this  
5 section, the term “qualifying pilot program” means a new  
6 or ongoing local basic income pilot program that provides  
7 to eligible individuals cash payments that are—

8 (1) not less than \$50 per such individual per  
9 payment; and

10 (2) made on a bi-weekly, monthly, or quarterly  
11 basis.

12 (c) APPLICATION.—A grant under this section may  
13 be made only to an eligible entity that submits to the Sec-  
14 retary an application containing such information as the  
15 Secretary may require, including—

16 (1) a description of a qualifying pilot program  
17 to be carried out using grant amounts; and

18 (2) an explanation of the need for such pro-  
19 gram.

20 (d) SELECTION.—

21 (1) IN GENERAL.—The Secretary, in consulta-  
22 tion with the Director, shall select not less than 500  
23 eligible entities to participate in the Program based  
24 on criteria that the Secretary shall establish.

1           (2) PRIORITY.—The Secretary, in approving ap-  
2           plications under this section, shall give priority to  
3           applications submitted by—

4                   (A) units of general local government that  
5                   have never established or do not have an exist-  
6                   ing program to provide a basic minimum in-  
7                   come for individuals;

8                   (B) units of general local government that  
9                   will carry out a qualifying pilot program in low-  
10                  income geographic areas or persistent poverty  
11                  counties;

12                  (C) community development financial insti-  
13                  tutions that are minority-owned; and

14                  (D) community development financial insti-  
15                  tutions that serve or are based in low-income  
16                  geographic areas or persistent poverty counties.

17           (e) LOCAL EVALUATIONS.—Eligible entities may use  
18           grant amounts to cover the costs of evaluations, similar  
19           to the requirements in subsection (g), through working  
20           with partners, such as for-profit, nonprofit, public, or  
21           quasi-governmental entities, to design, text, and report on  
22           their income pilots.

23           (f) DISREGARD OF CASH PAYMENTS FOR PURPOSES  
24           OF ALL FEDERAL AND FEDERALLY ASSISTED PRO-  
25           GRAMS.—Notwithstanding any other provision of law, any



1 payment made to a participating individual under this sec-  
2 tion shall not be taken into account as income or resources  
3 for the period of 12 months from receipt, for purposes of  
4 determining the eligibility of such individual for benefits  
5 or assistance (or the amount or extent of benefits or as-  
6 sistance) under any Federal program or any State or local  
7 program financed in whole or in part with Federal funds.

8 (g) EXTERNAL PARTNERS.—

9 (1) SELECTION.—The Secretary, in consulta-  
10 tion with the Director, shall select no more than  
11 three external partners to provide assistance with  
12 the design, administration, and evaluation of the  
13 Program.

14 (2) QUALIFICATIONS.—An organization selected  
15 to be an external partner shall—

16 (A) have demonstrated experience in—

17 (i) studying or implementing cash-  
18 transfer programs;

19 (ii) executing a mixed-methods study  
20 that incorporates an experiment or quasi-  
21 experiment design; and

22 (iii) holding highly ethical research de-  
23 signs with a consistent track record of ap-  
24 proval from institutional review boards;  
25 and

1           (B) have no campaign activity as a re-  
2           search organization described under section  
3           501(c)(3) of the Internal Revenue Code of  
4           1986.

5           (3) CONFIDENTIALITY.—An external partner,  
6           and any employee of an external partner, shall be  
7           treated as a Federal employee for purposes of sec-  
8           tion 6103 of the Internal Revenue Code of 1986.

9           (4) DATA COLLECTION.—An external partner  
10          shall work with the Director to collect and record  
11          data from eligible entities and participating individ-  
12          uals, as necessary, to complete the study and reports  
13          required under subsection (g), and to conduct any  
14          additional research as the Secretary determines nec-  
15          essary.

16          (h) REPORTING.—

17               (1) TASK FORCE.—The Secretary, in consulta-  
18               tion with the Director and external partners, may  
19               establish a task force to study the results of the  
20               qualifying pilot programs funded with grants under  
21               the Program.

22               (2) INFORMATION GATHERING.—An eligible en-  
23               tity providing cash payments to an eligible individual  
24               through a qualifying pilot program, funded through  
25               the Program, shall collect, maintain a record of, and

1 promptly submit such record to the task force the  
2 following information:

3 (A) If the eligible entity is a community  
4 development financial institution, whether the  
5 entity itself is a minority-owned, women-owned,  
6 or veteran-owned entity.

7 (B) Demographic information of partici-  
8 pating individuals, including race and ethnicity,  
9 gender, disability status, housing status, family  
10 composition, and income level.

11 (3) EVALUATION.—Of the amounts made avail-  
12 able to carry out this section, the Secretary, acting  
13 through the Director, may use such amounts as may  
14 be necessary to evaluate the effectiveness of quali-  
15 fying pilot programs funded through the Program,  
16 using a methodology that—

17 (A) includes a random assignment when-  
18 ever feasible, or other research methods that  
19 allow for the strongest possible casual infer-  
20 ences when a random assignment is not fea-  
21 sible; and

22 (B) generates evidence on the impact of  
23 specific qualifying pilot programs and protocols.

24 (4) INTERIM REPORT.—Not later than 24  
25 months after cash payments are initially made to

1 participating individuals, the Secretary, in consulta-  
2 tion with the Director and external partners, shall  
3 issue an interim report on the Program to Congress,  
4 including the following information:

5 (A) For each qualifying pilot program, the  
6 total number of participating individuals disag-  
7 gregated by race and ethnicity, gender, dis-  
8 ability status, housing status, family composi-  
9 tion, and income and assets (including income  
10 level as a percentage of the Federal poverty  
11 line).

12 (B) With respect to each participating in-  
13 dividual, to the extent applicable—

14 (i) such individual's employment type  
15 and job status;

16 (ii) the total amount of cash payments  
17 received by such individual; and

18 (iii) such individual's zip code.

19 (C) Any other information that the Sec-  
20 retary determines to be necessary.

21 (5) FINAL REPORT.—Not later than 12 months  
22 after the conclusion of the Program, the Secretary,  
23 in consultation with the Director and the external  
24 partners, shall issue a final report on the Program  
25 to Congress, which shall include updated disclosures

1 and calculations of the information provided in the  
2 interim report under paragraph (4), and a final as-  
3 sessment comprised of—

4 (A) a quantitative and qualitative analysis  
5 of the effects of the income subsidies provided  
6 under the qualifying pilot programs on—

7 (i) financial outcomes of participating  
8 individuals;

9 (ii) the health and economic well-being  
10 of participating individuals; and

11 (iii) the social costs of poverty and in-  
12 come volatility, including connections with  
13 income fluctuation and health, education,  
14 employment, childcare, and other outcomes  
15 as determined appropriate by the Sec-  
16 retary; and

17 (B) recommendations by the Secretary on  
18 the efficacy and operational pathways of ex-  
19 panding local basic income subsidies into a Fed-  
20 eral guaranteed income program.

21 (6) PUBLIC AVAILABILITY.—

22 (A) IN GENERAL.—As soon as is prac-  
23 ticable after issuing each report under para-  
24 graphs (4) and (5), the Secretary shall make all

1 the information contained in each such report  
2 publicly available.

3 (B) CONFIDENTIALITY.—In making infor-  
4 mation publicly available under subparagraph  
5 (A), the Secretary shall withhold confidential  
6 information.

7 (i) RULES AND GUIDANCE.—The Secretary, in con-  
8 sultation with the Director, shall issue any rules and guid-  
9 ance that are necessary to carry out this section, including  
10 establishing appropriate compliance and reporting require-  
11 ments in addition to the reporting requirements under  
12 subsection (g).

13 (j) DEFINITIONS.—In this section:

14 (1) ELIGIBLE ENTITY.—The term “eligible enti-  
15 ty” means a unit of general local government or a  
16 community development financial institution.

17 (2) ELIGIBLE INDIVIDUAL.—The term “eligible  
18 individual” means a resident of the United States.

19 (3) FEDERAL POVERTY LINE.—The term “Fed-  
20 eral poverty line” has the meaning given the term  
21 “poverty line” in section 673 of the Omnibus Budg-  
22 et Reconciliation Act of 1981 (42 U.S.C. 9902).

23 (4) LOW-INCOME GEOGRAPHIC AREA.—The  
24 term “low-income geographic area” has the meaning

1 given such term in section 351 of the Small Busi-  
2 ness Investment Act of 1958 (15 U.S.C. 689).

3 (5) MINORITY-OWNED.—With respect to a com-  
4 munity development financial institution, the term  
5 “minority-owned” means a community development  
6 financial institution with—

7 (A) more than 50 percent of the ownership  
8 or control held by not less than one minority;  
9 and

10 (B) more than 50 percent of the net profit  
11 or loss of which accrues to not less than one  
12 minority.

13 (6) MINORITY.—The term “minority” has the  
14 meaning given such term in section 1204(c) of the  
15 Financial Institutions Reform, Recovery, and En-  
16 forcement Act of 1989 (12 U.S.C. 1811 note).

17 (7) PARTICIPATING INDIVIDUAL.—The term  
18 “participating individual” means an eligible indi-  
19 vidual that has received cash payments under a  
20 qualifying pilot program funded through a grant  
21 from the Program.

22 (8) PERSISTENT POVERTY COUNTY.—The term  
23 “persistent poverty county” means any county that  
24 has had 20 percent or more of its population living  
25 in poverty over the past 30 years, as measured by

1 the most recent decennial census and the most re-  
2 cent Small Area Income and Poverty Estimates of  
3 the Bureau of the Census, as of the date of the en-  
4 actment of this Act.

5 (k) AUTHORIZATION OF APPROPRIATIONS.—There is  
6 authorized to be appropriated to carry out this section  
7 \$500,000,000 for each of the fiscal years 2023 through  
8 2027.

## 9 **TITLE II—GUARANTEED INCOME** 10 **TAX CREDIT**

### 11 **SEC. 201. ESTABLISHMENT OF THE GUARANTEED INCOME** 12 **TAX CREDIT.**

13 (a) IN GENERAL.—Subpart C of part IV of sub-  
14 chapter A of chapter 1 of the Internal Revenue Code of  
15 1986 is amended by inserting after section 37 the fol-  
16 lowing new section:

#### 17 **“SEC. 37A. GUARANTEED INCOME TAX CREDIT.**

18 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
19 gible individual, there shall be allowed as a credit against  
20 the tax imposed by this subtitle for the taxable year an  
21 amount equal to—

22 “(1) \$14,400, plus

23 “(2) \$600 multiplied by the number of depend-  
24 ents (as defined in section 152) under the age of 18  
25 of the taxpayer.



1       “(b) LIMITATION BASED ON ADJUSTED GROSS IN-  
2 COME.—The amount of the credit allowable under sub-  
3 section (a) shall be reduced (but not below zero) by five  
4 percent of so much of the taxpayer’s adjusted gross in-  
5 come as exceeds—

6               “(1) \$150,000 in the case of a joint return or  
7 a surviving spouse (as defined in section 2(a)),

8               “(2) \$112,500 in the case of a head of house-  
9 hold, and

10              “(3) \$75,000 in the case of a taxpayer not de-  
11 scribed in paragraph (1) or (2).

12       “(c) INFLATION ADJUSTMENTS.—

13              “(1) IN GENERAL.—In the case of any taxable  
14 year beginning after 2028, each of the dollar  
15 amounts under subsections (a) and (b) shall be in-  
16 creased by an amount equal to—

17                      “(A) such dollar amount, multiplied by

18                      “(B) the cost-of-living adjustment deter-  
19 mined under section 1(f)(3) for the calendar  
20 year in which the taxable year begins, deter-  
21 mined by substituting ‘calendar year 2027’ for  
22 ‘calendar year 2016’ in subparagraph (A)(ii)  
23 thereof.

24              “(2) ROUNDING.—If any increase determined  
25 under paragraph (1) is not a multiple of \$50, such

1 increase shall be rounded to the nearest multiple of  
2 \$50.

3 “(d) ELIGIBLE INDIVIDUAL.—For purposes of this  
4 section—

5 “(1) IN GENERAL.—The term ‘eligible indi-  
6 vidual’ means an individual—

7 “(A) who attained 18 years of age before  
8 the close of the taxable year,

9 “(B) whose principal place of abode was in  
10 the United States for more than one-half of the  
11 taxable year,

12 “(C) who is not a dependent for whom a  
13 deduction is allowable under section 151 to an-  
14 other taxpayer for any taxable year beginning  
15 in the same calendar year as such taxable year,  
16 and

17 “(D) who did not claim the benefits of sec-  
18 tion 911 for the preceding taxable year.

19 “(2) LIMITATION ON ELIGIBILITY OF NON-  
20 RESIDENT ALIENS.—The term ‘eligible individual’  
21 shall not include any individual who is a nonresident  
22 alien individual for any portion of the preceding tax-  
23 able year, unless such individual is treated for such  
24 taxable year as a resident of the United States for

1 purposes of this chapter by reason of an election  
2 under subsection (g) or (h) of section 6013.

3 “(3) IDENTIFICATION NUMBER REQUIRE-  
4 MENT.—No credit shall be allowed under this section  
5 to an eligible individual who does not include on the  
6 return of tax for the taxable year—

7 “(A) such individual’s taxpayer identifica-  
8 tion number,

9 “(B) if the individual was married during  
10 the preceding taxable year (within the meaning  
11 of section 7703), the taxpayer identification  
12 number of such individual’s spouse, and

13 “(C) taxpayer identification number of  
14 such individual’s dependents.

15 “(4) TREATMENT OF MILITARY PERSONNEL  
16 STATIONED OUTSIDE OF THE UNITED STATES.—For  
17 purposes of paragraph (1)(B), the principal place of  
18 abode of a member of the Armed Forces of the  
19 United States shall be treated as in the United  
20 States during any period during which such member  
21 is stationed outside the United States while serving  
22 on extended active duty with the Armed Forces of  
23 the United States. For purposes of the preceding  
24 sentence, the term ‘extended active duty’ means any  
25 period of active duty pursuant to a call or order to

1 such duty for a period in excess of 90 days or for  
2 an indefinite period.

3 “(e) TAXABLE YEAR MUST BE FULL TAXABLE  
4 YEAR.—Except in the case of a taxable year closed by rea-  
5 son of the death of the taxpayer, no credit shall be allow-  
6 able under this section in the case of a taxable year cov-  
7 ering a period of less than 12 months.

8 “(f) RESTRICTIONS ON TAXPAYER WHO IMPROPERLY  
9 CLAIMED CREDIT IN PRIOR YEAR.—Rules similar to sub-  
10 section (k) of section 32 shall apply for purposes of this  
11 section.

12 “(g) RECONCILIATION OF CREDIT AND ADVANCE  
13 PAYMENTS.—The amount of the credit allowed under this  
14 section for any taxable year shall be reduced (but not  
15 below zero) by the aggregate amount of any advance pay-  
16 ments of such credit under section 7527B for such taxable  
17 year.”.

18 (b) ADVANCE PAYMENT OF GUARANTEED INCOME  
19 TAX CREDIT.—Chapter 77 of the Internal Revenue Code  
20 of 1986 is amended by inserting after section 7527A the  
21 following new section:

22 **“SEC. 7527B. ADVANCE PAYMENT OF GUARANTEED INCOME**  
23 **TAX CREDIT.**

24 “(a) IN GENERAL.—The Secretary shall establish a  
25 program for making advance payments to eligible tax-

1 payers which equal, in the aggregate during any calendar  
2 year, the annual advance amount determined with respect  
3 to such taxpayer for such calendar year. The advance pay-  
4 ments made to such taxpayer for any calendar year shall  
5 be in equal amounts.

6 “(b) ELIGIBLE TAXPAYER.—The term ‘eligible tax-  
7 payer’ has the meaning given ‘eligible individual’ in section  
8 37A and such taxpayer has made an election under sub-  
9 section (d).

10 “(c) ANNUAL ADVANCE AMOUNT.—For the purposes  
11 of this section, the term ‘annual advance amount’ means,  
12 with respect to an eligible taxpayer for any calendar year,  
13 an amount equal to the amount of credit which the Sec-  
14 retary has determined will be allowed to such taxpayer  
15 under section 37A for the taxpayer’s taxable year begin-  
16 ning in such calendar year.

17 “(d) ELECTION OF ADVANCE PAYMENT.—

18 “(1) IN GENERAL.—A taxpayer may elect to re-  
19 ceive an advance payment of the credit allowed  
20 under section 37A for any taxable year—

21 “(A) by including such election on a timely  
22 filed return for the preceding taxable year, or

23 “(B) through the online portal established  
24 in paragraph (2).

1           “(2) ONLINE PORTAL.—The Secretary shall es-  
2           tablish an online portal which allows non-filing tax-  
3           payers to—

4                   “(A) elect to receive payments under this  
5           section, and

6                   “(B) provide any information the Secretary  
7           determines necessary.

8           “(e) INTERNAL REVENUE SERVICE NOTIFICATION.—  
9           The Internal Revenue Service shall take such steps as may  
10          be appropriate to ensure that taxpayers who are eligible  
11          to receive the credit under section 37A are aware of the  
12          availability of the advance payment of such credit under  
13          this section.

14          “(f) AUTHORITY.—The Secretary may prescribe such  
15          regulations or other guidance as may be appropriate or  
16          necessary for the purposes of carrying out this section.”.

17          (c) OTHER RULES.—

18                  (1) TIMING AND MANNER OF PAYMENTS.—

19                          (A) TIMING.—The Secretary shall, subject  
20                          to the provisions of this title, refund or credit  
21                          any overpayment attributable to this section as  
22                          rapidly as possible.

23                          (B) ALTERNATE INFORMATION.—For pur-  
24                          poses of disbursing refunds payable under this  
25                          section, if an individual eligible to receive a

1 credit under section 37A (as added by sub-  
2 section (a)) has not, as of any applicable date,  
3 filed a tax return for the applicable taxable  
4 year, the Secretary shall—

5 (i) use return information with re-  
6 spect to such individual for the taxable  
7 year preceding such applicable taxable  
8 year; or

9 (ii) in the case of an individual who  
10 has not filed a tax return for the applicable  
11 year or the taxable year described in clause  
12 (i), use any applicable information pro-  
13 vided by relevant agencies.

14 (C) COORDINATION AND NOTIFICATION.—

15 For purposes of subparagraph (B)(i), the Sec-  
16 retary shall—

17 (i) coordinate with the heads of rel-  
18 evant Federal agencies to receive applica-  
19 ble information with respect to any individ-  
20 uals who may be eligible to receive a re-  
21 fund payment pursuant to this section; and

22 (ii) establish an online portal that in-  
23 dividuals described in paragraph (B) may  
24 use to report any information required, as  
25 determined by the Secretary, to determine

1 the amount of any refund payments for  
2 which such individuals may be eligible, in-  
3 cluding methods specifically designed to  
4 identify and account for foster youth and  
5 individuals experiencing homelessness or  
6 housing insecurity.

7 (D) DELIVERY OF PAYMENTS.—Notwith-  
8 standing any other provision of law, the Sec-  
9 retary may certify and disburse refunds imme-  
10 diately payable under this subsection—

11 (i) electronically to any account to  
12 which the payee authorized the delivery of  
13 a refund of taxes under this title or of a  
14 Federal payment (as defined in section  
15 3332 of title 31, United States Code); or

16 (ii) through such other means as are  
17 determined appropriate by the Secretary  
18 including through the use of mailed paper  
19 checks, stored value cards, and online pay-  
20 ment systems including FedAccounts as es-  
21 tablished under section 301.

22 (E) WAIVER OF CERTAIN RULES.—Not-  
23 withstanding section 3325 of title 31, United  
24 States Code, or any other provision of law, with  
25 respect to any payment of a refund under this



1 subsection, a disbursing official in the executive  
2 branch of the United States Government may  
3 modify payment information received from an  
4 officer or employee described in section  
5 3325(a)(1)(B) of such title for the purpose of  
6 facilitating the accurate and efficient delivery of  
7 such payment. Except in cases of fraud or reck-  
8 less neglect, no liability under sections 3325,  
9 3527, 3528, or 2529 of title 31, United States  
10 Code, shall be imposed with respect to pay-  
11 ments made under this subparagraph.

12 (2) NO INTEREST.—No interest shall be allowed  
13 on any overpayment attributable to a payment  
14 deemed made under this section.

15 (3) NOTICE TO TAXPAYER.—Not later than 15  
16 days after the date on which the Secretary distrib-  
17 uted any payment to a taxpayer pursuant to this  
18 section, notice shall be sent by mail to such tax-  
19 payer’s last known address. Such notice shall indi-  
20 cate the method by which such payment was made,  
21 the amount of such payment, and a phone number  
22 or website portal for the appropriate contact at the  
23 Internal Revenue Service to report any failure to re-  
24 ceive such payment.

1           (4) TREATMENT OF POSSESSIONS.—Rules simi-  
2           lar to the rules of subsection (c) of section 2201 of  
3           the CARES Act (Public Law 116–136) shall apply  
4           for the purposes of section 37A of such Code (as  
5           added by subsection (a)).

6           (5) EXCEPTION FROM REDUCTION OR OFF-  
7           SET.—Any credit or refund allowed or made to any  
8           individual by reason of section 37A of the Internal  
9           Revenue Code of 1986 (as added by subsection (a))  
10          or by reason of paragraph (1) of this subsection  
11          shall not be—

12                 (A) subject to reduction or offset pursuant  
13                 to section 3716 or 3720A of title 31, United  
14                 States Code;

15                 (B) subject to reduction or offset pursuant  
16                 to subsection (c), (d), (e), or (f) of section 6402  
17                 of the Internal Revenue Code of 1986; or

18                 (C) reduced or offset by other assessed  
19                 Federal taxes that would otherwise be subject  
20                 to levy or collection.

21          (6) PROHIBITION ON GARNISHMENT.—

22                 (A) DEFINITIONS.—In this paragraph, the  
23                 terms “financial institution”, “freeze”, “gar-  
24                 nish”, and “garnishment order” have the mean-  
25                 ings given the terms in section 212.3 of title

1           31, Code of Federal Regulations, as in effect on  
2           the date of enactment of this Act.

3           (B) PROHIBITION.—No financial institu-  
4           tion may garnish or freeze any portion of a re-  
5           fund made by any debtor by reason of section  
6           37A of the Internal Revenue Code of 1986 (as  
7           added by subsection (a)) or by reason of para-  
8           graph (1) pursuant to a garnishment order.

9           (7) WAIVER OF FEES BY INSURED DEPOSITORY  
10          INSTITUTIONS.—No insured depository institution,  
11          as defined in section 3 of the Federal Deposit Insur-  
12          ance Act (12 U.S.C. 1813), may impose a fee on a  
13          person for cashing any check for a refund payable  
14          under section 37A of the Internal Revenue Code of  
15          1986 (as added by subsection (a)).

16          (8) PUBLIC AWARENESS CAMPAIGN.—Rules  
17          similar to the rules of subsection (e) of section 2201  
18          of the CARES Act shall apply for the purposes of  
19          section 37A of such Code (as added by subsection  
20          (a)).

21          (9) REGULATIONS.—The Secretary shall pre-  
22          scribe such regulations or other guidance as may be  
23          necessary to carry out the purposes of this section,  
24          including any such measures are deemed appropriate  
25          to avoid allowing duplicative payments to a taxpayer.

1 (d) CONFORMING AMENDMENTS.—

2 (1) Section 6211(b)(4)(A) of the Internal Rev-  
3 enue Code of 1986 is amended by inserting “37A,”  
4 after “36B,”.

5 (2) Section 6213(g)(2) of such Code is amend-  
6 ed—

7 (A) in subparagraph (F), by inserting “or  
8 section 37A” after “credit”;

9 (B) in subparagraph (G), by inserting “or  
10 37A” after “section 32”;

11 (C) by amending subparagraph (K) to read  
12 as follows:

13 “(K) an omission of information required  
14 by section 32(k)(2) or 36(e) or an entry on the  
15 return claiming—

16 “(i) the credit under section 32 for a  
17 taxable year for which the credit is dis-  
18 allowed under subsection (k)(1) thereof, or

19 “(ii) the credit under section 37A for  
20 a taxable year for which the credit is dis-  
21 allowed under subsection (d) thereof,”; and

22 (D) in subparagraph (L), by “37A,” after  
23 “32,”.

24 (3) The table of sections for subpart C of part  
25 IV of subchapter A of chapter 1 of such Code is

1 amended by inserting after the item relating to sec-  
 2 tion 37 the following:

“Sec. 37A. Guaranteed income tax credit.”.

3 (4) The table of sections for chapter 77 of such  
 4 Code is amended by inserting after the item relating  
 5 to section 7527A the following:

“Sec. 7527B. Advance payment of guaranteed income tax credit.”.

6 (e) EFFECTIVE DATE.—The amendments made by  
 7 this section shall apply to the taxable years beginning after  
 8 January 1, 2027.

## 9 **TITLE III—FEDACCOUNTS**

### 10 **SEC. 301. CREATION AND INTEGRATION OF FEDACCOUNTS.**

11 (a) DEFINITIONS.—In this section:

12 (1) DIGITAL DOLLARS.—The term “digital dol-  
 13 lars” means dollar balances consisting of digital  
 14 ledger entries recorded as liabilities in the accounts  
 15 of any Federal Reserve bank.

16 (2) FEDACCOUNT.—The term “FedAccount”  
 17 means a personal, no-fee central bank account sup-  
 18 ported by a Federal Reserve bank for any eligible in-  
 19 dividuals or on behalf of any person for the purpose  
 20 of holding digital dollar balances.

21 (3) MEMBER BANK.—The term “member bank”  
 22 means any national bank, State bank, or bank or  
 23 trust company that is a member of a Federal Re-  
 24 serve bank.

1           (4) PASS-THROUGH FEDACCOUNT.—The term  
2           “pass-through FedAccount” means a FedAccount  
3           maintained by a member bank on behalf of any per-  
4           son, entitling that person to a pro rata share of a  
5           pooled reserve balance that the member bank main-  
6           tains at any Federal Reserve bank.

7           (5) POSTAL RETAIL FACILITY.—The term  
8           “postal retail facility”—

9                   (A) means a post office, post office branch,  
10                   post office classified station, or other facility  
11                   that is operated by the Postal Service, the pri-  
12                   mary function of which is to provide retail post-  
13                   al services; and

14                   (B) does not include a contractor-operated  
15                   facility offering postal services.

16           (6) POSTAL SERVICE.—The term “Postal Serv-  
17           ice” means the United States Postal Service.

18           (b) AUTHORITY AND MANDATE FOR FEDERAL RE-  
19           SERVE BANKS TO ESTABLISH AND MAINTAIN  
20           FEDACCOUNTS FOR THE GENERAL PUBLIC.—

21                   (1) AUTHORIZATION.—Subject to restrictions,  
22                   limitations, and regulations that may be imposed by  
23                   the Board of Governors of the Federal Reserve Sys-  
24                   tem, a Federal Reserve bank shall maintain Fed-  
25                   Accounts.

1           (2) MANDATE.—Not later than January 1,  
2           2027, a Federal Reserve bank shall make available  
3           FedAccounts to—

4                   (A) residents of the United States; and

5                   (B) businesses domiciled in the United  
6           States.

7           (3) TERMS OF FEDACCOUNTS.—FedAccounts—

8                   (A) shall not be subject to any account  
9           fees, minimum balances, or maximum balances,  
10          and shall pay interest at a rate not below the  
11          greater of the rate of interest on required re-  
12          serves and the rate of interest on excess re-  
13          serves;

14                  (B) shall provide debit cards, online ac-  
15          count access, automatic bill-pay, mobile bank-  
16          ing, customer service and other such services as  
17          the Board of Governors of the Federal Reserve  
18          System determines appropriate in the public in-  
19          terest, provided that FedAccounts shall not in-  
20          clude overdraft coverage;

21                  (C) shall provide access to automatic teller  
22          machines to be maintained on behalf of the  
23          Board of Governors of the Postal Service at  
24          postal retail facilities;

1 (D) shall be branded in all account state-  
2 ments, marketing materials, and other commu-  
3 nications as “FedAccounts” maintained by the  
4 Federal Reserve bank on behalf of the United  
5 States of America;

6 (E) may not be closed or restricted on the  
7 basis of profitability considerations; and

8 (F) shall provide account holders with rea-  
9 sonable protections against losses caused by  
10 fraud or security breaches.

11 (4) BANK SECRECY ACT.—In establishing and  
12 maintaining FedAccounts, each Federal Reserve  
13 shall comply with—

14 (A) section 21 of the Federal Deposit In-  
15 surance Act (12 U.S.C. 1829b);

16 (B) chapter 2 of title I of Public Law 91–  
17 508 (12 U.S.C. 1951 et seq.); and

18 (C) subchapter II of chapter 53 of title 31,  
19 United States Code.

20 (5) PRIVACY.—

21 (A) FEDACCOUNTS.—Section 552a of title  
22 5, United States Code (commonly known as the  
23 Privacy Act of 1974), shall apply to Fed-  
24 Accounts.



1           (B) FEDERAL RESERVE BANKS.—The pri-  
2           vacy obligations applicable to each Federal Re-  
3           serve bank and its employees, including with re-  
4           spect to criminal and civil penalties, shall mir-  
5           ror those applicable to Federal tax returns  
6           under sections 6103, 7213(a)(1), 7213A, and  
7           7431 of the Internal Revenue Code of 1986.

8           (6) REGULATIONS.—The Board of Governors of  
9           the Federal Reserve, in consultation with the Sec-  
10          retary, shall promulgate regulations in order to  
11          carry out this subsection.

12          (c) AUTHORITY AND MANDATE FOR MEMBER  
13          BANKS, STATE NONMEMBER BANKS AND CREDIT  
14          UNIONS TO OFFER AND MAINTAIN PASS-THROUGH  
15          FEDACCOUNTS.—

16                (1) OBLIGATIONS OF MEMBER BANKS.—

17                    (A) IN GENERAL.—Member banks shall  
18                    open and maintain pass-through FedAccounts  
19                    for all interested persons who elect to deposit  
20                    funds into pass-through FedAccounts, including  
21                    persons eligible to receive guaranteed income  
22                    tax credit payments from the United States  
23                    pursuant to section 301 of this Act.

24                    (B) MAINTENANCE OF ASSETS.—

1 (i) IN GENERAL.—Each member bank  
2 shall establish and maintain a separate  
3 legal entity for the exclusive purpose of  
4 holding all assets and maintaining all li-  
5 abilities associated with pass-through Fed-  
6 Accounts.

7 (ii) CONTENTS.—The assets of any  
8 entity described in clause (i) shall consist  
9 exclusively of a balance maintained in a  
10 master account at a Federal Reserve bank,  
11 and the liabilities or obligations of the enti-  
12 ty shall consist exclusively of an equal  
13 quantity of balances maintained by holders  
14 of pass-through FedAccounts.

15 (iii) CAPITAL OR LIQUIDITY REGULA-  
16 TION.—The assets and liabilities of any  
17 legal entity described in clause (i) shall not  
18 be deemed assets or liabilities of the mem-  
19 ber bank or its affiliates for the purposes  
20 of any capital or liquidity regulation pro-  
21 mulgated by Federal or State banking au-  
22 thorities.

23 (iv) ONLINE APPLICATION REQUIRE-  
24 MENT FOR LARGE BANKS.—Member banks  
25 with total consolidated assets greater than

1           \$10,000,000,000 shall promptly offer ap-  
2           plication, through online or telephonic  
3           means, for pass-through FedAccounts.

4           (2)       TERMS       OF       PASS-THROUGH  
5       FEDACCOUNTS.—Pass-through FedAccounts offered  
6       by member banks—

7           (A) shall not be subject to any account  
8           fees, minimum balances, or maximum balances,  
9           and shall pay interest at a rate not below the  
10          greater of the rate of interest on required re-  
11          serves and the rate of interest on excess re-  
12          serves;

13          (B) shall provide functionality and service  
14          levels no less favorable than those that the  
15          member bank offers for its existing transaction  
16          accounts, including with respect to debit cards,  
17          automated teller machines, online account ac-  
18          cess, automatic bill pay, mobile banking, cus-  
19          tomer service and such other services as the  
20          Board of Governors of the Federal Reserve Sys-  
21          tem determines appropriate in the public inter-  
22          est, provided that FedAccounts shall not in-  
23          clude overdraft coverage;

24          (C) shall be prominently branded in all ac-  
25          count statements, marketing materials, and

1 other communications as “pass-through Fed-  
2 Accounts” maintained by the member bank on  
3 behalf of the Federal Reserve;

4 (D) may not be closed or restricted by the  
5 bank on the basis of profitability considerations;  
6 and

7 (E) shall provide account holders with rea-  
8 sonable protection against losses caused by  
9 fraud or security breaches.

10 (3) REIMBURSEMENT FOR COSTS AT MEMBER  
11 BANKS.—

12 (A) IN GENERAL.—Each member bank  
13 with total consolidated assets of not greater  
14 than \$10,000,000,000 shall be reimbursed each  
15 calendar quarter by the relevant Federal Re-  
16 serve bank for the operational costs incurred by  
17 the member bank in offering pass-through  
18 FedAccounts.

19 (B) REGULATIONS.—The Board of Gov-  
20 ernors of the Federal Reserve System shall pro-  
21 mulgate such regulations as necessary to carry  
22 out this subsection.

23 (4) OBLIGATIONS OF STATE NONMEMBER  
24 BANKS AND CREDIT UNIONS.—

1 (A) IN GENERAL.—The Federal Reserve  
2 banks shall permit State nonmember banks and  
3 credit unions to open master accounts for the  
4 exclusive purpose of offering pass-through  
5 FedAccounts with the separate entity structure  
6 described in paragraph (1), if the pass-through  
7 FedAccount complies with the terms set forth  
8 in paragraph (2).

9 (B) REIMBURSEMENT.—Each State non-  
10 member bank or credit union electing to offer  
11 pass-through FedAccounts shall be entitled to  
12 cost reimbursement in accordance with para-  
13 graph (3).

14 (5) AUTHORITY OF THE BOARD.—Member  
15 banks shall be subject to such regulations and obli-  
16 gations as may be imposed by the Board of Gov-  
17 ernors of the Federal Reserve System in connection  
18 with maintaining pass-through FedAccounts.

19 (d) LIMITED BRANCHES.—In areas where access to  
20 physical member bank branches is limited, including in  
21 low- or moderate-income geographies, designated disaster  
22 areas, distressed or underserved non-metropolitan middle-  
23 income geographies, as designated by the Federal Finan-  
24 cial Institutions Examination Council, Federal Reserve  
25 banks may partner with postal retail facilities to ensure

1 access and availability to application and account services  
2 for all residents and citizens of the United States and to  
3 businesses domiciled in the United States.

4 (e) COORDINATION OF FEDACCOUNTS AND POSTAL  
5 BANKING.—The Board of Governors of the Federal Re-  
6 serve System, after consultation with the Postmaster  
7 General, shall work to improve public banking options to  
8 all individuals, and specifically making sure that payments  
9 from the guaranteed income tax credit are able to reach  
10 the most people in a timely manner by expanding such  
11 financial services to the unbanked and underbanked.

12 (f) ANNUAL REPORTING.—The Comptroller General  
13 of the United States, in consultation with the Secretary,  
14 shall submit to Congress an annual report that includes  
15 the demographics, number of participants, and average  
16 balances and uses for all the new products and services  
17 established under this section.

○