

118TH CONGRESS
2D SESSION

H. R. 7694

To amend the Internal Revenue Code of 1986 to limit the use of artificial intelligence at the Internal Revenue Service and to require tax investigations and examinations of taxpayers to be initiated by staff investigators.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2024

Mr. HIGGINS of Louisiana (for himself and Mr. BURLISON) 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 limit the use of artificial intelligence at the Internal Revenue Service and to require tax investigations and examinations of taxpayers to be initiated by staff investigators.

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 “No AI Audits Act”.

5 **SEC. 2. LIMITS ON THE USE OF ARTIFICIAL INTELLIGENCE**

6 **BY INTERNAL REVENUE SERVICE.**

7 (a) **LIMITATIONS ON THE USE OF ARTIFICIAL INTEL-**
8 **LIGENCE FOR AUDIT OR INVESTIGATION.**—Section

1 7803(a) of the Internal Revenue Code of 1986 is amended
2 by adding at the end the following new paragraph:

3 “(5) LIMITATIONS ON THE USE OF ARTIFICIAL
4 INTELLIGENCE FOR AUDIT OR INVESTIGATION.—

5 “(A) GUIDANCE.—Notwithstanding sub-
6 section (b) of section 553 of title 5, United
7 States Code, any guidance issued by the Com-
8 missioner relating to the use of artificial intel-
9 ligence for selection for or initiation of an audit
10 or investigation by the Internal Revenue Service
11 shall be subject to the requirements of such sec-
12 tion as if such guidance were a rule making.

13 “(B) EXPLAINABILITY REQUIREMENT.—
14 The Commissioner may not conduct an audit or
15 investigation initiated as result of analysis or
16 selection by artificial intelligence unless the
17 Commissioner determines that such artificial in-
18 telligence meets the explainability principles for
19 artificial intelligence established by the Director
20 of the National Institute of Standards and
21 Technology.

22 “(C) ARTIFICIAL INTELLIGENCE.—For
23 purposes of this paragraph, the term ‘artificial
24 intelligence’ has the meaning given such term in

1 section 5002 of the National Artificial Intel-
2 ligence Initiative Act of 2020.”.

3 (b) COMPTROLLER GENERAL REPORT.—The Comp-
4 troller General of the United States shall conduct an audit
5 of, and issue a publicly available report regarding, the In-
6 ternal Revenue Service’s use of artificial intelligence to
7 execute its duties and functions of the office and a cost-
8 benefit analysis of such use of artificial intelligence, in-
9 cluding any adverse effects the use of the technology has
10 on taxpayer rights as listed in section 7803(a)(3) of the
11 Internal Revenue Code of 1986.

12 (c) REQUIREMENT FOR INITIATION OF INVESTIGA-
13 TION OR EXAMINATION.—Section 7605 is amended by re-
14 designating subsection (c) as subsection (d) and inserting
15 after subsection (b) the following new subsection:

16 “(c) INITIATION OF EXAMINATION OR INVESTIGA-
17 TION.—An investigation or examination of a taxpayer may
18 only be selected or initiated by a staff investigator of the
19 Internal Revenue Service and the documentation relating
20 to such initiation shall contain the name and contact infor-
21 mation for such investigator.”.

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