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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R.

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

Mr. HIGGINS of Louisiana introduced the following bill; which was referred to the Committee on _____

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”.

1 **SEC. 2. LIMITS ON THE USE OF ARTIFICIAL INTELLIGENCE**
2 **BY INTERNAL REVENUE SERVICE.**

3 (a) LIMITATIONS ON THE USE OF ARTIFICIAL INTEL-
4 LIGENCE FOR AUDIT OR INVESTIGATION.—Section
5 7803(a) of the Internal Revenue Code of 1986 is amended
6 by adding at the end the following new paragraph:

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

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

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

1 “(C) ARTIFICIAL INTELLIGENCE.—For
2 purposes of this paragraph, the term ‘artificial
3 intelligence’ has the meaning given such term in
4 section 5002 of the National Artificial Intel-
5 ligence Initiative Act of 2020.”.

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

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

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