

.....  
(Original Signature of Member)

116TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To require Members of Congress to disclose delinquent tax liabilities and wage garnishments, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. MCCARTHY introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To require Members of Congress to disclose delinquent tax liabilities and wage garnishments, 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 “Members of Congress  
5 Tax Liability and Garnishment Accountability Act of  
6 2020”.

1 **SEC. 2. REQUIRING MEMBERS OF CONGRESS TO DISCLOSE**  
2 **TAX LIABILITY AND WAGE GARNISHMENT IN**  
3 **ANNUAL FINANCIAL DISCLOSURE REPORTS.**

4 (a) IN GENERAL.—Section 102(a) of the Ethics in  
5 Government Act of 1978 (5 U.S.C. App.) is amended by  
6 adding at the end the following:

7 “(9)(A) For individuals described in section  
8 101(f)(9)—

9 “(i) the amount of any delinquent tax liability  
10 owed to the United States or any State or unit of  
11 local government; and

12 “(ii) the amount of any garnishment against  
13 the individual’s salary.

14 “(B) In this paragraph—

15 “(i) the term ‘delinquent tax liability’ means  
16 any unpaid tax liability which has been assessed and  
17 with respect to which all judicial and administrative  
18 remedies have been exhausted, or have lapsed; and

19 “(ii) any delinquent tax liability of an entity  
20 more than 50 percent of the stock of which in the  
21 case of a corporation (by vote or value), or 50 per-  
22 cent of the capital and profits interest of which in  
23 the case of an entity other than a corporation, is  
24 owned directly or indirectly by an individual shall be  
25 treated as a delinquent tax liability of such indi-

1       vidual in proportion to such individual's ownership  
2       interest in such entity.”.

3       (b) INCLUSION IN REPORT.—Section 102(b)(1)(A) of  
4 the Ethics in Government Act of 1978 (5 U.S.C. App.)  
5 is amended by striking “paragraph (1)” and inserting  
6 “paragraphs (1) and (9)”.

7       (c) FEDERAL TAX LIABILITY.—

8           (1) REQUIRING GARNISHMENT OF COMPENSA-  
9       TION.—A Member of Congress who discloses a delin-  
10      quent tax liability under section 102(a)(9) of the  
11      Ethics in Government Act of 1978 (as added by sub-  
12      section (a)) shall, not later than 30 calendar days  
13      after filing the form, make an arrangement with the  
14      Secretary of the Senate or the Chief Administrative  
15      Officer of the House of Representatives, as the case  
16      may be, and the Internal Revenue Service or the  
17      State or unit of local government involved, as the  
18      case may be, to have an appropriate amount of the  
19      Member's salary designated to pay the taxes owed to  
20      the United States or the State or unit of local gov-  
21      ernment involved within a reasonable time period.

22           (2) MEMBER OF CONGRESS DEFINED.—In this  
23      subsection, the term “Member of Congress” means  
24      a Senator or a Representative in, or Delegate or  
25      Resident Commissioner to, the Congress.

1 **SEC. 3. HOLDING SALARIES OF MEMBERS OF CONGRESS IN**  
2 **ESCROW UNTIL REPAYMENT OF DELINQUENT**  
3 **TAX LIABILITY.**

4 (a) HOLDING SALARIES IN ESCROW.—

5 (1) IN GENERAL.—If a Member of Congress  
6 who has disclosed a delinquent tax liability under  
7 section 102(a)(9) of the Ethics in Government Act  
8 of 1978 (as added by section 2(a)) has not met the  
9 deadline under section 2(c)(1) to make the arrange-  
10 ment required under such section to pay the taxes  
11 owed, during the period described in paragraph (2)  
12 the payroll administrator of that House of Congress  
13 shall—

14 (A) withhold from the Member's compensa-  
15 tion such amount as may be directed by the  
16 Secretary of the Treasury (in the case of a de-  
17 linquent tax liability owed to the United States)  
18 or the State or unit of local government in-  
19 volved (in the case of a delinquent tax liability  
20 owed to a State or unit of local government) to  
21 pay the taxes owed within a reasonable period  
22 of time; and

23 (B) deposit in an escrow account the re-  
24 maining portion of the payments otherwise re-  
25 quired to be made during such period for the  
26 compensation of the Member and release such

1           payments to the Member only upon the expira-  
2           tion of such period.

3           (2) PERIOD DESCRIBED.—With respect to a  
4           Member of Congress, the period described in this  
5           paragraph is the period which begins on the date on  
6           which the Secretary of the Treasury (in the case of  
7           a delinquent tax liability owed to the United States)  
8           or the State or unit of local government involved (in  
9           the case of a delinquent tax liability owed to a State  
10          or unit of local government) provides the notification  
11          described in paragraph (3) to the payroll adminis-  
12          trator and ends on the earlier of—

13                   (A) the day on which the Secretary of the  
14                   Treasury or the State or unit of local govern-  
15                   ment involved (as the case may be) notifies the  
16                   payroll administrator that the Member's delin-  
17                   quent tax liability has been repaid; or

18                   (B) the last day of the Congress during  
19                   which amounts are withheld under this section.

20          (3) NOTIFICATION DESCRIBED.—With respect  
21          to a Member of Congress, a notification described in  
22          this paragraph is a notification from the Secretary  
23          of the Treasury or the State or unit of local govern-  
24          ment involved (as the case may be) containing—

1 (A) a statement that the Member has not  
2 met the deadline under section 2(c)(1) to make  
3 the arrangement required under such section to  
4 pay the taxes owed; and

5 (B) a statement of the amount to be with-  
6 held from the Member's compensation under  
7 paragraph (1)(A).

8 (4) WITHHOLDING AND REMITTANCE OF  
9 AMOUNTS FROM PAYMENTS HELD IN ESCROW.—The  
10 payroll administrator shall provide for the same  
11 withholding and remittance with respect to a pay-  
12 ment deposited in an escrow account under para-  
13 graph (1) that would apply to the payment if the  
14 payment were not subject to paragraph (1).

15 (5) RELEASE OF AMOUNTS AT END OF THE  
16 CONGRESS.—In order to ensure that this section is  
17 carried out in a manner that shall not vary the com-  
18 pensation of Senators or Representatives in violation  
19 of the twenty-seventh article of amendment to the  
20 Constitution of the United States, the payroll ad-  
21 ministrator of a House of Congress shall release for  
22 payment to a Member of that House of Congress  
23 any amounts remaining in an escrow account for the  
24 Member under this section on the last day of the

1 Congress during which amounts are withheld under  
2 this section.

3 (6) ROLE OF SECRETARY OF THE TREASURY.—

4 The Secretary of the Treasury shall provide the pay-  
5 roll administrators of the Houses of Congress with  
6 such assistance as may be necessary to enable the  
7 payroll administrators to carry out this section.

8 (c) PAYROLL ADMINISTRATOR DEFINED.—In this  
9 section, the “payroll administrator” of a House of Con-  
10 gress means—

11 (1) in the case of the House of Representatives,  
12 the Chief Administrative Officer of the House of  
13 Representatives, or an employee of the Office of the  
14 Chief Administrative Officer who is designated by  
15 the Chief Administrative Officer to carry out this  
16 section; and

17 (2) in the case of the Senate, the Secretary of  
18 the Senate, or an employee of the Office of the Sec-  
19 retary of the Senate who is designated by the Sec-  
20 retary to carry out this section.

21 **SEC. 4. REPORTING OF INFORMATION ON GARNISHMENT**  
22 **OF COMPENSATION.**

23 (a) COMPENSATION OF MEMBERS OF THE HOUSE.—

24 Section 106(b) of the House of Representatives Adminis-

1 trative Reform Technical Corrections Act (2 U.S.C.  
2 5535(b)) is amended—

3 (1) by striking “and” at the end of paragraph  
4 (5);

5 (2) by redesignating paragraph (6) as para-  
6 graph (7); and

7 (3) by inserting after paragraph (5) the fol-  
8 lowing new paragraph:

9 “(6) if during the period covered by the report,  
10 the Chief Administrative Officer withheld amounts  
11 from a Member’s compensation under section 3(a) of  
12 the Members of Congress Tax Liability and Garnish-  
13 ment Accountability Act of 2020 or under an order  
14 of garnishment which required the Chief Administra-  
15 tive Officer to withhold a certain amount from the  
16 Member’s compensation to satisfy a debt owed by  
17 the Member to another person (other than amounts  
18 withheld under an agreement entered into by the  
19 Secretary of the Treasury under section 6159 of the  
20 Internal Revenue Code of 1986 or amounts withheld  
21 pursuant to a compromise of a case under section  
22 7122 of such Code), the identification of the Mem-  
23 ber and the amount withheld; and”.

24 (b) COMPENSATION OF SENATORS.—Section 105(a)  
25 of the Legislative Branch Appropriations Act, 1965 (2



1 U.S.C. 4108) is amended by adding at the end the fol-  
2 lowing new paragraph:

3       “(7) If during the period covered by a report under  
4 paragraph (1), the Secretary of the Senate withheld  
5 amounts from a Senator’s compensation under section  
6 3(a) of the Members of Congress Tax Liability and Gar-  
7 nishment Accountability Act of 2020 or under an order  
8 of garnishment which required the Secretary to withhold  
9 a certain amount from the Senator’s compensation to sat-  
10 isfy a debt owed by the Senator to another person, the  
11 Secretary shall include in the report the identification of  
12 the Senator and the amount withheld. The previous sen-  
13 tence does not apply in the case of amounts withheld  
14 under an agreement entered into by the Secretary of the  
15 Treasury under section 6159 of the Internal Revenue  
16 Code of 1986 or amounts withheld pursuant to a com-  
17 promise of a case under section 7122 of such Code.”.