

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 9496

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 2026

Ms. TENNEY (for herself, Ms. TITUS, and Mr. BEYER) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to postpone tax deadlines and reimburse paid late fees for United States nationals who are unlawfully or wrongfully detained or held hostage abroad, 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 “End Tax Penalties  
5       on American Hostages Act”.

1 **SEC. 2. POSTPONEMENT OF TAX DEADLINES FOR HOS-**  
2 **TAGES AND INDIVIDUALS WRONGFULLY DE-**  
3 **TAINED ABROAD.**

4 (a) IN GENERAL.—Chapter 77 of the Internal Rev-  
5 enue Code of 1986 is amended by inserting after section  
6 7510 the following new section:

7 **“SEC. 7511. TIME FOR PERFORMING CERTAIN ACTS POST-**  
8 **PONED FOR HOSTAGES AND INDIVIDUALS**  
9 **WRONGFULLY DETAINED ABROAD.**

10 “(a) TIME TO BE DISREGARDED.—

11 “(1) IN GENERAL.—The period during which  
12 an applicable individual was unlawfully or wrongfully  
13 detained abroad, or held hostage abroad, shall be  
14 disregarded in determining, under the internal rev-  
15 enue laws, in respect of any tax liability of such indi-  
16 vidual—

17 “(A) whether any of the acts described in  
18 section 7508(a)(1) were performed within the  
19 time prescribed thereof (determined without re-  
20 gard to extension under any other provision of  
21 this subtitle for periods after the initial date (as  
22 determined by the Secretary) on which such in-  
23 dividual was unlawfully or wrongfully detained  
24 abroad or held hostage abroad),

1           “(B) the amount of any interest, penalty,  
2           additional amount, or addition to the tax for  
3           periods after such date, and

4           “(C) the amount of any credit or refund.

5           “(2) APPLICATION TO SPOUSE.—The provisions  
6           of paragraph (1) shall apply to the spouse of any in-  
7           dividual entitled to the benefits of such paragraph.

8           “(b) APPLICABLE INDIVIDUAL.—

9           “(1) IN GENERAL.—For purposes of this sec-  
10          tion, the term ‘applicable individual’ means any indi-  
11          vidual who is—

12           “(A) a United States national unlawfully  
13           or wrongfully detained abroad, as determined  
14           under section 302 of the Robert Levinson Hos-  
15           tage Recovery and Hostage-Taking Account-  
16           ability Act (22 U.S.C. 1741), or

17           “(B) a United States national taken hos-  
18           tage abroad, as determined pursuant to the  
19           findings of the Hostage Recovery Fusion Cell  
20           (as described in section 304 of the Robert  
21           Levinson Hostage Recovery and Hostage-Tak-  
22           ing Accountability Act (22 U.S.C. 1741b)).

23           “(2) INFORMATION PROVIDED TO TREASURY.—  
24          For purposes of identifying individuals described in

1 paragraph (1), not later than January 1, 2027, and  
2 annually thereafter—

3 “(A) the Secretary of State shall provide  
4 the Secretary with a list of the individuals de-  
5 scribed in paragraph (1)(A), as well as any  
6 other information necessary to identify such in-  
7 dividuals, and

8 “(B) the Attorney General, acting through  
9 the Hostage Recovery Fusion Cell, shall provide  
10 the Secretary with a list of the individuals de-  
11 scribed in paragraph (1)(B), as well as any  
12 other information necessary to identify such in-  
13 dividuals.

14 “(c) SPECIAL RULE FOR OVERPAYMENTS.—

15 “(1) IN GENERAL.—Subsection (a) shall not  
16 apply for purposes of determining the amount of in-  
17 terest on any overpayment of tax.

18 “(2) SPECIAL RULES.—If an individual is enti-  
19 tled to the benefits of subsection (a) with respect to  
20 any return and such return is timely filed (deter-  
21 mined after the application of such subsection), sub-  
22 sections (b)(3) and (e) of section 6611 shall not  
23 apply.

24 “(d) MODIFICATION OF TREASURY DATABASES AND  
25 INFORMATION SYSTEMS.—The Secretary shall ensure that

1 databases and information systems of the Department of  
2 the Treasury are updated as necessary to ensure that stat-  
3 ute expiration dates, interest and penalty accrual, and col-  
4 lection activities are suspended consistent with the appli-  
5 cation of subsection (a).

6 “(e) REFUND AND ABATEMENT OF PENALTIES AND  
7 FINES IMPOSED PRIOR TO IDENTIFICATION AS APPLICA-  
8 BLE INDIVIDUAL.—In the case of any applicable indi-  
9 vidual—

10 “(1) for whom any interest, penalty, additional  
11 amount, or addition to the tax in respect to any tax  
12 liability for any taxable year ending during the pe-  
13 riod described in subsection (a)(1) was assessed or  
14 collected, and

15 “(2) who was, subsequent to such assessment  
16 or collection, determined to be an individual de-  
17 scribed in subparagraph (A) or (B) of subsection  
18 (b)(1),

19 the Secretary shall abate any such assessment and refund  
20 any amount collected to such applicable individual in the  
21 same manner as any refund of an overpayment of tax  
22 under section 6402.”.

23 (b) CLERICAL AMENDMENT.—The table of sections  
24 for chapter 77 of such Code is amended by inserting after  
25 the item relating to section 7510 the following new item:

“Sec. 7511. Time for performing certain acts postponed for hostages and individuals wrongfully detained abroad.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years ending after the  
3 date of the enactment of this Act.

4 **SEC. 3. REFUND AND ABATEMENT OF PENALTIES AND**  
5 **FINES PAID BY ELIGIBLE INDIVIDUALS.**

6 (a) IN GENERAL.—Section 7511 of the Internal Rev-  
7 enue Code of 1986, as added by section 2, is amended  
8 by adding at the end the following new subsection:

9 “(f) REFUND AND ABATEMENT OF PENALTIES AND  
10 FINES PAID BY ELIGIBLE INDIVIDUALS WITH RESPECT  
11 TO PERIODS PRIOR TO DATE OF ENACTMENT OF THIS  
12 SECTION.—

13 “(1) IN GENERAL.—

14 “(A) ESTABLISHMENT.—Not later than  
15 January 1, 2027, the Secretary (in consultation  
16 with the Secretary of State and the Attorney  
17 General) shall establish a program to allow any  
18 eligible individual (or the spouse or any depend-  
19 ent (as defined in section 152) of such indi-  
20 vidual) to apply for a refund or an abatement  
21 of any amount described in paragraph (2) (in-  
22 cluding interest) to the extent such amount was  
23 attributable to the applicable period.

1           “(B) IDENTIFICATION OF INDIVIDUALS.—  
2           Not later than January 1, 2027, the Secretary  
3           of State and the Attorney General, acting  
4           through the Hostage Recovery Fusion Cell (as  
5           described in section 304 of the Robert Levinson  
6           Hostage Recovery and Hostage-Taking Ac-  
7           countability Act (22 U.S.C. 1741b)), shall—

8                   “(i) compile a list, based on such in-  
9                   formation as is available, of individuals  
10                  who were eligible individuals during the ap-  
11                  plicable period, and

12                   “(ii) provide the list described in  
13                  clause (i) to the Secretary.

14           “(C) NOTICE.—For purposes of carrying  
15           out the program described in subparagraph (A),  
16           the Secretary (in consultation with the Sec-  
17           retary of State and the Attorney General) shall,  
18           with respect to any individual identified under  
19           subparagraph (B), provide notice to such indi-  
20           vidual—

21                   “(i) in the case of an individual who  
22                   has been released on or before the date of  
23                   the enactment of this subsection, not later  
24                   than 90 days after the date of the enact-  
25                   ment of this subsection, or

1           “(ii) in the case of an individual who  
2           is released after the date of the enactment  
3           of this subsection, not later than 90 days  
4           after the date on which such individual is  
5           released,

6           that such individual may be eligible for a refund  
7           or an abatement of any amount described in  
8           paragraph (2) pursuant to the program de-  
9           scribed in subparagraph (A).

10           “(D) AUTHORIZATION.—

11           “(i) IN GENERAL.—Subject to clause  
12           (ii), in the case of any refund described in  
13           subparagraph (A), the Secretary shall  
14           issue such refund to the eligible individual  
15           in the same manner as any refund of an  
16           overpayment of tax.

17           “(ii) EXTENSION OF LIMITATION ON  
18           TIME FOR REFUND.—With respect to any  
19           refund under subparagraph (A)—

20           “(I) the 3-year period of limita-  
21           tion prescribed by section 6511(a)  
22           shall be extended until the end of the  
23           1-year period beginning on the date  
24           that the notice described in subpara-

1 graph (C) is provided to the eligible  
2 individual, and

3 “(II) any limitation under section  
4 6511(b)(2) shall not apply.

5 “(2) ELIGIBLE INDIVIDUAL.—For purposes of  
6 this subsection, the term ‘eligible individual’ means  
7 any applicable individual who, for any taxable year  
8 ending during the applicable period, paid or incurred  
9 any interest, penalty, additional amount, or addition  
10 to the tax in respect to any tax liability for such  
11 year of such individual based on a determination  
12 that an act described in section 7508(a)(1) was not  
13 performed by the time prescribed therefor (without  
14 regard to any extensions).

15 “(3) APPLICABLE PERIOD.—For purposes of  
16 this subsection, the term ‘applicable period’ means  
17 the period—

18 “(A) beginning on January 1, 2021, and

19 “(B) ending on the date of the enactment  
20 of this subsection.”.

21 (b) EFFECTIVE DATE.—The amendment made by  
22 this subsection shall apply to taxable years ending on or  
23 before the date of the enactment of this Act.

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