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(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to remove the limitation on the aggregate amount of grants made available to low-income taxpayer clinics and to adjust the matching fund requirements for such clinics.

IN THE HOUSE OF REPRESENTATIVES

Mr. WENSTRUP introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to remove the limitation on the aggregate amount of grants made available to low-income taxpayer clinics and to adjust the matching fund requirements for such clinics.

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 “Low-Income Taxpayer
5 Clinic Modernization Act of 2024”.

1 **SEC. 2. LOW-INCOME TAXPAYER CLINICS.**

2 (a) REMOVE LIMIT ON INDIVIDUAL CLINIC.—Section
3 7526(c) of such Code is amended by striking paragraph
4 (2) and redesignating paragraphs (3) through (6) as para-
5 graphs (2) through (5), respectively.

6 (b) WAIVER OF REQUIREMENT OF MATCHING
7 FUNDS.—Section 7526(c)(4) of such section, as redesi-
8 gnated by subsection (a), is amended to read as follows:

9 “(4) REQUIREMENT OF MATCHING FUNDS.—

10 “(A) IN GENERAL.—A low-income tax-
11 payer clinic must provide the applicable amount
12 of matching funds for all grants provided under
13 this section. Matching funds may include—

14 “(i) the salary (including fringe bene-
15 fits) of individuals performing services for
16 the clinic, and

17 “(ii) the cost of equipment used in the
18 clinic.

19 “(B) INDIRECT EXPENSES NOT TREATED
20 AS MATCHING FUNDS.—Indirect expenses, in-
21 cluding general overhead of the institution
22 sponsoring the clinic, shall not be counted as
23 matching funds for the purposes of this para-
24 graph.

1 “(C) APPLICABLE AMOUNT.—For purposes
2 of subparagraph (A), the term ‘applicable
3 amount’ means—

4 “(i) 100 percent of the grant issued
5 under this section, or

6 “(ii) in a case in which the Secretary
7 determines that a lower matching contribu-
8 tion will expand services to more tax-
9 payers, an amount determined to be appro-
10 prium by the Secretary that is not less
11 than 25 percent of the grant issued under
12 this section.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to grants issued after the date of
15 the enactment of this Act.