



TaxNewsFlash

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Legislative update: Ways and Means approves tax-related bills

The U.S. House Ways and Means Committee today approved two tax-related bills by voice vote.

- [**H.R. 3500**](#) [PDF 256 KB] the *Ensuring Integrity in the IRS Workforce Act of 2018*, would prohibit the IRS from rehiring any former IRS employee who had been previously removed from IRS employment for misconduct. The bill would be effective upon enactment. The Joint Committee on Taxation (JCT) has estimated that the bill would have a negligible revenue effect.
- [**H.R. 519**](#) [PDF 258 KB] the *Water and Agriculture Tax Reform Act of 2018*, would modify the treatment of certain earned income of a mutual ditch or irrigation company (or a like organization) for purposes of section 501(c). It also would modify the ability of such entities to comply with state laws governing member and shareholder voting rights. If enacted, the bill would be effective for tax years beginning after 2018 and, according to JCT estimates, would decrease federal revenues by approximately \$39 million over a 10-year period.

JCT descriptions

Read the JCT descriptions of these bills.

- [**JCX-37-18**](#): Description of H.R. 3500, the “Ensuring Integrity in the IRS Workforce Act of 2017”
- [**JCX-38-18**](#): Description of an amendment in the nature of a substitute to the provisions of H.R. 3500, the “Ensuring Integrity in the IRS Workforce Act of 2017”
- [**JCX-39-18**](#): Description of H.R. 519, the “Water and Agriculture Tax Reform Act of 2017”

- [JCX-40-18](#): Description of an amendment in the nature of a substitute to the provisions of H.R. 519, The “Water and Agriculture Tax Reform Act of 2017”

What’s next?

The bills will now be referred to the full House of Representatives for possible consideration. A date has not been set for the House to consider the bills.

Assuming the House passes the bills, the Senate would need to pass identical legislation and the president would need to sign (or not veto) such legislation for the legislation to become law. The Senate has not indicated whether it will act on any of the bills.

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