

To the office of U.S. Representative Ron Estes

Re: HR 10334 (119th Congress), EFIN Verification Act of 2026 • Latest action (2026-09-16): Ordered to be Reported in the Nature of a Substitute by the Yeas and Nays: 40 - 0.

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Secure EFIN Pilot With Due Process and Sunset

The measure, as described from the official record: Protect taxpayers and the tax system from fraud by making sure only authorized and active tax preparers can file returns electronically for others.

THE PROPOSAL

Congress has the power to run this pilot, and the Constitution sets its limits. Article I, Section 8, Clause 1 grants power to collect lawful revenue, and Article I, Section 8, Clause 18 permits measures necessary and proper to carry that power into effect, with the Sixteenth Amendment confirming the power to collect income taxes; that is why a narrow check that a preparer number is authorized and active is permitted. Fifth Amendment Due Process limits the same power: no preparer may finally lose filing access without notice and a fair chance to respond. The strongest objection is that real-time checks could delay honest filings and expand agency discretion, and the answer is a capped pilot with clear standards, prompt correction, review, and a sunset.

The official summary states the bill was ordered to be reported in the nature of a substitute by 40-0 on September 16, 2026. It remains a pending bill, not law. The VFA proposal would build on that pending bill with a five-year pilot for real-time EFIN checks. The IRS would confirm that a number is authorized and active before accepting an electronically filed return from a preparer. Software providers and state partners could run the check under IRS standards. Ordinary taxpayers filing their own returns would not face a new step.

The VFA proposal adds firm safeguards that the official summary does not state. A blocked preparer would receive prompt written notice with the reason. The preparer could correct errors quickly and continue lawful work during review. No final loss of filing access would occur without notice and a fair chance to respond, consistent with due process. These appeal rights would be new safeguards proposed by VFA.

Costs and privacy would stay controlled. Spending would be capped from current IRS funds. The system would check only the status needed to confirm authorization. Filing data would not be shared for unrelated uses. The check could reduce abuse using stolen or inactive numbers, but results are uncertain and would be measured by the watchdog. An independent watchdog would report each year on accuracy, delays, costs, and fraud prevented, and Congress would decide whether to continue the program at sunset.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Effective Date	Pilot validation program begins one year after enactment, with full review before any permanent program.
Enforcement Mechanism	The IRS blocks electronic submissions tied to inactive, revoked, or mismatched EFINs, with prompt written notice, a quick correction process, and appeal rights stated in the new safeguard.
Funding Amount	Capped at \$25 million over five years
Funding Source	IRS enforcement and operations appropriations, with no new tax or fee
Oversight Body	Treasury Inspector General for Tax Administration with annual public reports to Congress
Sunset Years	5 years

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 1
- Article I, Section 8, Clause 18
- Sixteenth Amendment
- Fifth Amendment Due Process

Concerns with the measure as written:

- A broad mandate to block filings without clear standards or review could raise Fifth Amendment Due Process concerns if authorized preparers lose livelihood without notice and a chance to respond.
 - A continuous validation duty without limits could expand agency discretion beyond what is needed to collect lawful revenue, implicating the scope of Article I, Section 8, Clause 1 and Clause 18.
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WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

VFA assesses this draft honors Democratic priorities for taxpayer protection, accurate administration, and service for victims of filing fraud, and honors Republican priorities for fraud prevention, narrow mandates that exclude self-filers, fiscal discipline through a capped pilot, and oversight with a sunset and review.

Strongest objection, and the answer: The strongest objection is that real-time checks could delay honest filings and expand agency discretion, and the answer is a capped pilot with clear standards, prompt correction, review, and a sunset.

CHECK BEFORE RELYING ON THIS

Basis: The Congress.gov summary of H.R. 10334 in the 119th Congress states the bill would require IRS or specified validator checks that an EFIN is authorized and active before electronic filing, with real-time validation and checks at initial use and later intervals, and the official record states the bill was ordered to be reported in the nature of a substitute by 40-0 on September 16, 2026.

The full bill text and current law were not stated in the official summary reviewed, so eligibility rules, existing appeal rights, technical standards, privacy controls, cost effects, and conflicts

with current statutes remain unverified and should be checked at the [Congress.gov](https://www.congress.gov) bill page before action.

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