



Congressional Update

News for Members of Congress and their staff

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This Month's Top News



IRS.gov resources help answer questions about the One, Big, Beautiful Bill

Taxpayers may be able to take advantage of new deductions and increase refunds due to the One, Big, Beautiful Bill, passed by Congress and enacted in July 2025.

[\(Full article on page 2\)](#)



Get personalized account services and quicker refunds

[One, Big, Beautiful Bill](#) provisions on IRS.gov provides information on the new tax law provisions and others, plus eligibility and guidance.

[\(Full article on page 2\)](#)



The IRS announced opening of 2026 filing season; online tools and resources help with tax filing

The IRS opened the nation's 2026 filing season on January 26, 2026.

[\(Full article on page 3\)](#)

Find answers to tax questions

- [IRS.gov/Help](#) A variety of resources to answer some of the most common tax questions.
- [IRS.gov/ITA](#) The Interactive Tax Assistant will ask questions and provide answers on several tax topics based on input.
- [IRS.gov/Forms](#) Find forms, instructions and publications on the most recent tax changes and interactive links for answers, including the new Schedule 1-A.
- [Publication 17](#) explains tax law to help ensure you pay only the tax you owe and no more.

Let us help your constituents

How can your constituents find out about the status of their refund?

[Refunds | Internal Revenue Service](#) has details including the [Where's my refund](#) tool.

irs.gov

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IRS.gov resources help answer questions about the One, Big, Beautiful Bill

Taxpayers may be able to take advantage of new deductions that could reduce taxable income and increase refunds due to the **One, Big, Beautiful Bill**, passed by Congress and enacted in July 2025. Provisions from the new law can have a significant effect on federal taxes, credits and deductions.

The legislation includes four prominent provisions for individuals: the “deduction for seniors,” “no tax on tips,” “no tax on overtime” and “no tax on car loan interest.” Taxpayers claiming these deductions should use Schedule 1-A and see the related instructions.

Get personalized account services and quicker refunds

- › Access tax information 24/7 with a secure IRS online account. An **IRS Individual Online Account** allows taxpayers securely to access and view tax account information, interact with the IRS, and manage payments, refunds and communications.
- › Speed tax refunds with direct deposit. The IRS is **phasing out paper tax refund checks**. Taxpayers should use **direct deposit** to receive tax refunds faster.

Taxpayers can also use IRS.gov tools to learn more and get answers on how these changes could impact tax return filing.

Use IRS Free File to conveniently file your return at no cost

IRS Free File Guided Tax Software allows taxpayers to prepare and submit returns.

For 2026, eight private-sector partners are offering guided tax software products through IRS Free File to taxpayers with an Adjusted Gross Income of \$89,000 or less in 2025.

Taxpayers with an AGI above \$89,000 can use the **Free File Fillable Forms**. These electronic versions of IRS paper forms are ideal for individuals who are comfortable preparing their own taxes using IRS instructions and publications.

Understanding IRS Free File

Each IRS Free File trusted partner sets its own eligibility requirements, which may include age, income, state residency and military status. Taxpayers and active-duty military personnel with an AGI of \$89,000 or less in 2025 can find a free federal filing option; some partners also offer free state tax return preparation and filing.

Claim tax credits at no cost

IRS Free File allows eligible taxpayers to claim valuable tax benefits, including the **Earned Income Tax Credit**, the Child Tax Credit and other refundable credits. Refundable tax credits can reduce the amount of tax owed or result in a refund, even if no tax is due.

How to find the right IRS Free File product

Taxpayers can find the right product by visiting **IRS.gov/freefile** and:

1. Select “Explore Free Guided Tax Software”, then select the “Find a Trusted Partner” tool for help in finding the right product, or
2. Use “Browse All Trusted Partners” to review each offer,
3. Choose the product that best fits their situation, and
4. Follow the links to the trusted partner’s website to begin their tax return.

IRS Free File works on computers, smart phones or tablets.

2026 IRS Free File participants

The following trusted partners are participating in IRS Free File for 2026:

1. 1040Now
2. Drake (1040.com)
3. ezTaxReturn.com (offers English and Spanish)
4. FileYourTaxes.com
5. On-Line Taxes
6. TaxAct
7. TaxHawk (FreeTaxUSA)
8. TaxSlayer



The IRS announced opening of 2026 filing season; online tools and resources help with tax filing

The IRS opened the nation's 2026 filing season on January 26. This year, several new tax law provisions of the **One, Big, Beautiful Bill** become effective, which could effect federal taxes, credits and deductions.

Taxpayers have until Wednesday, April 15, 2026, to file their 2025 tax returns and pay any tax due. The IRS expects to receive about 164 million individual income tax returns this year, with most taxpayers filing electronically.

IRS.gov has **online tools and resources** taxpayers can use before, during and after filing their federal tax return.

"President Trump is committed to the taxpayers of this country and improving upon the successful tax filing season in 2025," said Acting IRS Commissioner Scott Bessent. "Prior to the passage of the One, Big, Beautiful Bill, which delivered working families tax cuts, Treasury and IRS were diligently preparing to update forms and processes for the benefit of hardworking Americans, and I am confident in our ability to deliver results and drive growth for businesses and consumers alike."

"The Internal Revenue Service is ready to help taxpayers meet their tax filing and payment obligations during the 2026 filing season," said IRS Chief Executive Officer Frank Bisignano. "As always, the IRS workforce remains vigilant and dedicated to their mission to serve the American taxpaying public. At the same time, IRS information systems have been updated to incorporate the new tax laws and are ready to efficiently and effectively process taxpayer returns during the filing season."

IRS Individual Online Account. Taxpayers can access their **individual online account** information, including balance due, payments made or scheduled, tax records and more.

New Schedule 1-A. Taxpayers will use the new Schedule 1-A to claim recently enacted tax deductions, such as no tax on tips, no tax on overtime, no tax on car loan interest and/or the enhanced deduction for seniors.

Enroll in a Trump Account. Parents, guardians and other authorized individuals can establish a new type of individual retirement account for their children. To learn more, visit **trumpaccounts.gov**.

Open a bank account. The IRS strongly encourages taxpayers to establish a bank account to receive their tax refunds via **direct deposit**, because the IRS is phasing out paper tax refund checks due to the executive order, **Modernizing Payments To and From America's Bank Account**.

Forms 1099-K and 1099-DA. Taxpayers should visit IRS.gov and learn what to do if they receive either of these forms. **Form 1099-K, Payment Card and Third Party Network Transactions**, is used to report payments received from credit cards, payments apps and online marketplaces. **Form 1099-DA, Digital Assets**, is used to report **digital asset** proceeds from broker transactions. Taxpayers must report all taxable income on their federal tax returns, even if they don't receive either form.

Where's My Refund? Refund status information is generally available around 24 hours after e-filing a current-year return, or four weeks after filing a paper return.

Be aware of tax scams and fraud. Taxpayers can learn how to prevent, report and recover from **tax scams** and **tax-related identity theft** on IRS.gov.

Choose a tax preparer. Taxpayers should review IRS guidance for **Choosing a Tax Professional**, including tips on choosing a reputable preparer and how to avoid unethical preparers.

Taxpayer Assistance Centers. Taxpayers should make IRS.gov their first stop to **get help**. If taxpayers cannot resolve their issue online, they can get help by making an appointment to visit a **Taxpayer Assistance Center**.

IRS Free File and Fillable Forms. The **IRS Free File** program will begin accepting individual tax returns starting Friday, Jan. 9 for qualified taxpayers. Taxpayers comfortable preparing their own taxes can use **IRS Free File Fillable Forms** starting Jan. 26, regardless of income.

MilTax. Military members and some veterans can use the Department of Defense program, **MilTax**, for free return preparation and e-filing software.

IRS-certified volunteers. The **Volunteer Income Tax Assistance and Tax Counseling for the Elderly** programs offer no-cost, basic tax preparation to qualified individuals.



Treasury, IRS issue guidance for Qualified Opportunity Zone investments in rural areas

The Department of the Treasury and the Internal Revenue Service issued **guidance** on important rule changes regarding Qualified Opportunity Zone investments in rural areas under the One, Big, Beautiful Bill.

Qualified Opportunity Zones (QOZ) provide a tax benefit for people who invest in economically distressed communities in the United States. The **new rules** make rural QOZ investments more attractive for investors, improving economic growth and job creation in underserved communities.

For more information, visit the [One, Big, Beautiful Bill page](#) on IRS.gov.



Need tax transcripts?

You can **access your personal tax records** online or by mail, including transcripts of past tax returns, tax account information, wage and income statements, and verification of non-filing letters.

If you need a transcript for your business, find out how to get a business tax transcript.

Access tax records and transcripts in your Individual Online Account

You can view your tax records in your Individual Online Account. This is the fastest, easiest way to:

- › View, print or download your transcripts
- › Find out how much you owe
- › Look at your payment history
- › See your prior year adjusted gross income (AGI)
- › View other tax records
- › Information return documents to assist in filing your claims

Alternative to getting a transcript online

We recommend getting a transcript online since that's the fastest method. If you're unable to register, you can get a tax return or tax account transcript mailed to you instead.

What you need

To get a transcript mailed to you, you need your mailing address from your latest return.

What you get

- › Tax return or tax account **transcript types** delivered by mail
- › Transcripts that arrive in 5 to 10 calendar days at the address we have on file for you

You can also request a transcript be mailed to you by calling our automated phone transcript service at **800-908-9946**.



IRS issues frequently asked questions about Executive Order 14247: Modernizing Payments To and From America's Bank Account

The Internal Revenue Service today issued frequently asked questions in [Fact Sheet 2026-02](#) to help taxpayers, businesses, and other stakeholders understand the changes under [Executive Order 14247: Modernizing Payment To and From America's Bank Account](#).

"These FAQs support the Executive Order in its effort to reduce fraud, improve security, lower costs, and make payments to and from the IRS faster and more reliable," IRS Chief Executive Officer Frank J. Bisignano said.

Background

The U.S. Department of the Treasury, in collaboration with the IRS and other federal agencies, is transitioning federal payments to and from the government to electronic methods pursuant to Executive Order 14247, signed March 25, 2025.

These changes apply to:

- › Payments sent by the federal government, including tax refunds, benefits, grants, and vendor or contractor payments; and
- › Payments made to the federal government, including tax balances due, fees, penalties, and other payments from individuals, businesses, nonprofit organizations, and state or local partners.

Electronic payments are generally processed faster, cost less to handle, and reduce errors compared to paper payments. Limited exceptions to electronic payment requirements will be available in specific situations, such as those involving hardship and/or legal or procedural requirements.



Filing tax returns is not changing

The Executive Order does not change how taxpayers file their tax returns. Taxpayers will continue to file their returns in the same manner as they have in the past. The change affects how refunds are issued and how payments are made, not how returns are prepared or submitted, beginning with the 2026 filing season. For now, checks and money orders will still be accepted.

What taxpayers should do now

To prepare for these changes, the IRS encourages taxpayers to:

- › Use **direct deposit** for refunds by providing accurate bank or prepaid debit card information when filing.
- › Choose electronic payment options when paying taxes, such as **IRS Direct Pay**, **Electronic Federal Tax Payment System**, or other approved methods.
- › Review account information to ensure bank details are current and correct.
- › Visit [IRS.gov](#) to learn about electronic **payment** options and available resources for taxpayers without a bank account.

For more information about how the IRS is implementing the Executive Order, visit [Modernizing Payments To and From America's Bank Account](#) on [IRS.gov](#).

More information about **reliance** is available on [IRS.gov](#).

National Taxpayer Advocate Releases 2025 Annual Report to Congress

On January 28, the National Taxpayer Advocate Erin M. Collins released her [2025 Annual Report to Congress](#). The report provides an independent assessment of IRS operations and identifies key challenges affecting taxpayers. The report finds that taxpayers generally fared well in their dealings with the IRS in 2025 and that most taxpayers are likely to have a smooth experience in 2026. However, the report cautions that the upcoming filing season is likely to present greater challenges for taxpayers who do encounter problems.

"Among the reasons the 2025 filing season went well was that the IRS had its largest workforce in many years and faced no major tax law changes that required implementation during the filing season," Collins writes. "Entering 2026, the landscape is markedly different. The IRS is simultaneously confronting a reduction of 27% of its workforce, leadership turnover, and the implementation of extensive and complex tax law changes mandated by the [One Big Beautiful Bill] Act, many of which apply retroactively and require significant IRS programming, guidance, changes to tax forms and instructions, and taxpayer education."



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Despite these challenges, Collins says most taxpayers will be able to file their returns and receive their refunds without delay. “For the significant majority of taxpayers who file their returns electronically, who include their direct deposit information, and whose returns are not stopped by IRS processing filters, the process will be seamless,” she writes. “Their returns will be processed quickly, and if they are due a refund, they will receive it without delay.” However, she notes, “the success of the filing season will be defined by how well the IRS is able to assist the millions of taxpayers who experience problems.”

Most serious taxpayer problems

The Annual Report identifies the 10 most serious problems that affect taxpayers’ ability to meet their tax obligations and obtain timely assistance from the IRS. It describes how these issues affect taxpayer rights and presents administrative and legislative recommendations for congressional consideration.

Legislative recommendations: the “Purple Book”

The National Taxpayer Advocate’s **2026 Purple Book** proposes 71 legislative recommendations intended to strengthen taxpayer protections, improve IRS accountability, and enhance the fairness and efficiency of tax administration.

Other report highlights

The report also contains a taxpayer rights and service assessment that presents performance measures and other relevant data, a description of TAS’s case advocacy and systemic advocacy operations, and a discussion of the 10 federal tax issues most frequently litigated in court last year.

Current and prior Annual Reports to Congress are available on the **[Taxpayer Advocate Service website](#)**.



IRS Tips | Helpful taxpayer information on a variety of topics

When preparing to file taxes, keep an eye out for scams

You can avoid falling for a tax scam. Know what to watch out for and how the IRS contacts you.

Tax scam warning signs

Scammers mislead you about tax refunds, credits and payments. They pressure you for personal, financial or employment information or money. IRS impersonators try to look like us.

Watch out for:

- › A big payday - If it sounds too good to be true, it probably is. Bad tax advice on social media may convince you to lie on tax forms or mislead you about credits you can claim.
- › Demands or threats - Impersonators want you to pay “now or else.” They threaten arrest or deportation. They don’t let you question or appeal the amount of tax you owe.
- › Website links - Odd or misspelled web links can take you to harmful sites instead of IRS.gov.

How to know it’s the IRS

Protect yourself from impersonators. **[Know how we contact you](#)**.

Know your taxpayer rights

Each and every taxpayer has a set of fundamental rights they should be aware of when dealing with the IRS. Explore your rights and our obligations to protect them.

Get Help on IRS.gov



- > [Filing](#)
- > [Payments](#)
- > [Refunds](#)
- > [Credits and Deductions](#)
- > [Forms and Instructions](#)
- > [Tax Questions](#)
- > [IRS in other languages](#)
Basic tax information is available in 21 languages, including English
- > [IRS2Go](#) is the official mobile app of the IRS, available in both English and Spanish.

Additional Information on IRS.gov



- > [IRS Advisory Council issues Annual Report](#)
- > [IRS sets 2026 business standard mileage rate at 72.5 cents per mile, up 2.5 cents |](#)
- > [Understanding your CP05B notice about income verification](#)
- > [Revocation or denial of passport in cases of certain unpaid taxes |](#)
- > [One Big Beautiful Bill Act of 2025 provisions](#)
- > [IRS issues FAQs to address Employee Retention Credits under ERC compliance provisions of the One, Big, Beautiful Bill](#)
- > [Treasury, IRS provide transition relief for 2025 for businesses reporting car loan interest under the One, Big, Beautiful Bill](#)
- > [IRS issues FAQs on Form 1099-K threshold under the One, Big, Beautiful Bill; dollar limit reverts to \\$20,000](#)
- > [Treasury, IRS provide penalty relief for tax year 2025 for information reporting on tips and overtime under the One, Big, Beautiful Bill](#)
- > [401\(k\) limit increases to \\$24,500 for 2026, IRA limit increases to \\$7,500](#)
- > [Ways to pay your taxes](#)
- > [Tax relief in disaster situations](#)
- > [Understanding your IRS notice or letter | Internal Revenue Service](#)
- > [Need to respond to a letter or notice? Use the Document Upload Tool](#)
- > [Get an Identity Protection PIN \(IP PIN\)](#)
- > [Processing status for tax forms | Internal Revenue Service](#)

Connect with IRS



Connect with TAS



The **IRS Congressional Update** is a monthly newsletter prepared by IRS Legislative Affairs. For information on resolving taxpayer account issues, visit the [Taxpayer Advocate Service](#).