



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 17, 2016

H.R. 4921 **Ditto Act of 2016**

*As ordered reported by the House Committee on Oversight and Government Reform
on April 14, 2016*

H.R. 4921 could require the Internal Revenue Service (IRS) to keep all records it obtains related to tax filers for at least three years if the agency requires tax filers to keep those same records.

The IRS could react to this legislation in a number of different ways. For example, the IRS might retain records for a longer period of time, or it might require less information to be preserved by tax filers. Based on discussions with the IRS, CBO expects that under the bill the IRS would retain at least some records for a longer period than they now retain them, resulting in higher storage costs. CBO estimates that those costs would total about \$2 million over the 2017-2021 period; such spending would be subject to the availability of appropriated funds.

Because enacting the bill would not affect direct spending or revenues, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 4921 would not increase direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 4921 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.