

January 28, 2026

Honorable Jim Jordan
Chair, House Committee on the Judiciary
2138 Rayburn House Building
Washington, DC 20515

Honorable Jason Smith
Chair, House Ways & Means Committee
1129 Longworth House Office Building
Washington DC 20515

Honorable Jamie Raskin
Ranking Member, House Committee
On the Judiciary
2138 Rayburn House Building
Washington, DC 20515

Honorable Richard E. Neal
Ranking Member, House Ways & Means
Committee
1129 Longworth House Office Building
Washington DC 20515

Dear Representatives Jordan, Smith, Raskin, and Neal,

The Association of Insolvency and Restructuring Advisors (AIRA) serves as an important educational and technical resource for the 1,300 professionals in business turnaround, restructuring, and bankruptcy practice who are its members. AIRA maintains the Certified Insolvency and Restructuring Advisor (CIRA) and Certified in Distressed Business Valuation (CDBV) designations as an assurance of the expertise of our members who hold these designations in this area.

We write to express our support and respectfully request your support for H.R. 5146, the *Federal Receivership Fairness Act*, sponsored by Congressman Darin LaHood (R-IL) and Congressman Don Beyer (D-VA).

When a business or individual lands in bankruptcy court in which a trustee is appointed to liquidate assets and distribute the proceeds to creditors and the other parties, the Bankruptcy Code under section 505 requires the Internal Revenue Service (IRS) to fast track the IRS' review and determination (collectively, "Tax Determinations") regarding the trustee's tax returns for the case so that creditors, including the Federal government, can receive the money owed as soon as possible.

Receivers in non-bankruptcy court proceedings have no similar legislative tool like 505 and face unnecessary delays and jurisdictional complications when dealing with Tax Determinations. These delays directly impact families and businesses waiting for distributions—whether tenants seeking return of security deposits, creditors owed money, or investors awaiting proceeds from asset sales. Federal tax uncertainties can stall any type of receivership proceeding, leaving constituents in financial limbo.

Congressman LaHood's legislation provides the critical framework needed to streamline Tax Determinations in non-bankruptcy court liquidation matters while maintaining appropriate

procedural safeguards. The bill's comprehensive approach—including a sovereign immunity waiver and clear procedures for Tax Determination requests—addresses the practical challenges receivers face in serving courts and protecting assets for stakeholders. As the legislation is based on Bankruptcy Code section 505, the procedures in H.R. 5146 have been tested over time and are familiar to the participants in these matters, both receivers and the IRS.

This legislation will have a profound impact. When receivership proceedings move efficiently, families get their money back faster, businesses can wind down properly, and distressed properties return to productive use more quickly.

Receivership proceedings serve a vital role in our legal system, and this bill will enhance their ability to function efficiently.

We thank you for considering AIRA's views on this important matter. We note that the views expressed in this letter are those of AIRA and do not necessarily reflect the personal views, if any, of any individual AIRA member.

Please let us know if you or your staff have any further questions about this important issue.

Sincerely,

A handwritten signature in black ink, reading "James M. Lukenda". The signature is fluid and cursive, with the first name "James" and last name "Lukenda" clearly legible.

James M. Lukenda, CIRA
Executive Director, Association of Insolvency and Restructuring Advisors