

118TH CONGRESS
2D SESSION

H. R. 7027

To amend title 1, United States Code, to clarify that certain tax exemptions are not treated as Federal financial assistance.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2024

Mr. STEUBE (for himself, Mr. OGLES, Mr. LAMBORN, Mr. DUNCAN, Mr. CLINE, Mr. NEHLS, and Mr. WEBER of Texas) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 1, United States Code, to clarify that certain tax exemptions are not treated as Federal financial assistance.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Safeguarding Charity
5 Act”.

1 **SEC. 2. FEDERAL FINANCIAL ASSISTANCE NOT TO INCLUDE**
2 **CERTAIN TAX BENEFITS.**

3 (a) IN GENERAL.—Chapter 1 of title 1, United
4 States Code, is amended by adding at the end the fol-
5 lowing new section:

6 **“SEC. 9. FEDERAL FINANCIAL ASSISTANCE.**

7 “In the case of any organization described in sub-
8 section (c) or (d) of section 501 of the Internal Revenue
9 Code of 1986 or any organization described in section
10 401(a) of such Code, for purposes of any Federal law,
11 rule, or regulation, unless explicitly provided otherwise,
12 the term ‘Federal financial assistance,’ or any other term
13 referring to assistance provided by the Federal Govern-
14 ment, shall not include any exemption from Federal in-
15 come tax.”.

16 (b) CLERICAL AMENDMENT.—The table of contents
17 for chapter 1 of title 1, United States Code, is amended
18 by adding at the end the following new item:

“9. Federal financial assistance.”.

19 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
20 tion or the amendments made by this section shall be con-
21 strued to imply that an exemption from Federal income
22 taxes under section 501(a) of the Internal Revenue Code
23 of 1986 constituted assistance from the Federal Govern-

1 ment for periods before the date of the enactment of this
2 Act.

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