

114TH CONGRESS
2D SESSION

H. R. 5053

IN THE SENATE OF THE UNITED STATES

JUNE 15, 2016

Received; read twice and referred to the Committee on Finance

AN ACT

To amend the Internal Revenue Code of 1986 to prohibit the Secretary of the Treasury from requiring that the identity of contributors to 501(c) organizations be included in annual returns.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Preventing IRS Abuse
3 and Protecting Free Speech Act”.

4 **SEC. 2. PROHIBITION ON REQUIRING THAT IDENTITY OF**
5 **CONTRIBUTORS TO 501(C) ORGANIZATIONS**
6 **BE INCLUDED IN ANNUAL RETURNS.**

7 (a) IN GENERAL.—Section 6033 of the Internal Rev-
8 enue Code of 1986 is amended by redesignating subsection
9 (n) as subsection (o) and by inserting after subsection (m)
10 the following:

11 “(n) IDENTIFYING INFORMATION OF DONORS.—

12 “(1) IN GENERAL.—For purposes of subsection
13 (a), the Secretary may not require the name, ad-
14 dress, or other identifying information of any con-
15 tributor to any organization described in section
16 501(c) of any amount of any contribution, grant, be-
17 quest, devise, or gift of money or property.

18 “(2) EXCEPTIONS.—

19 “(A) IN GENERAL.—Paragraph (1) shall
20 not apply—

21 “(i) to any disclosure required by sub-
22 section (a)(2), and

23 “(ii) with respect to any a contribu-
24 tion, grant, bequest, devise, or gift of
25 money or property made by an officer or
26 director of the organization (or an indi-

1 vidual having powers or responsibilities
2 similar to those of officers or directors) or
3 any covered employee.

4 “(B) COVERED EMPLOYEE.—For purposes
5 of this paragraph, the term ‘covered employee’
6 means any employee (including any former em-
7 ployee) of the organization if the employee is
8 one of the five highest compensated employees
9 of the organization for the taxable year.

10 “(C) COMPENSATION FROM RELATED OR-
11 GANIZATIONS.—

12 “(i) IN GENERAL.—Compensation of a
13 covered employee by the organization shall
14 include any compensation paid with respect
15 to employment of such employee by any re-
16 lated person or governmental entity.

17 “(ii) RELATED ORGANIZATIONS.—A
18 person or governmental entity shall be
19 treated as related to the organization if
20 such person or governmental entity—

21 “(I) controls, or is controlled by,
22 the organization,

23 “(II) is controlled by one or more
24 persons that control the organization,

1 “(III) is a supported organization
2 (as defined in section 509(f)(3)) dur-
3 ing the taxable year with respect to
4 the organization,

5 “(IV) is a supporting organiza-
6 tion described in section 509(a)(3)
7 during the taxable year with respect
8 to the organization, or

9 “(V) in the case of an organiza-
10 tion that is a voluntary employees’
11 beneficiary association described in
12 section 501(c)(9), establishes, main-
13 tains, or makes contributions to such
14 voluntary employees’ beneficiary asso-
15 ciation.”.

16 (b) CONFORMING AMENDMENT.—Section 6033(b)(5)
17 of such Code is amended—

18 (1) by striking “all”, and

19 (2) by adding at the end the following: “to the
20 extent not prohibited by subsection (n),”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to returns required to be filed for

1 taxable years ending after the date of the enactment of
2 this Act.

Passed the House of Representatives June 14, 2016.

Attest:

KAREN L. HAAS,

Clerk.