

114TH CONGRESS
2D SESSION

H. R. 5515

To amend the Internal Revenue Code of 1986 to require certain tax exempt organizations to certify that foreign funds will not be used to make any contribution or expenditure in connection with any election in the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 2016

Mr. KILMER (for himself and Mr. HANNA) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to require certain tax exempt organizations to certify that foreign funds will not be used to make any contribution or expenditure in connection with any election in the United States, and for other purposes.

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 “Election Protection
5 & Integrity Certification Act” or the “EPIC Act”.

1 **SEC. 2. CERTIFICATION THAT FOREIGN FUNDS WILL NOT**
2 **BE USED TO MAKE ANY CONTRIBUTION OR**
3 **EXPENDITURE IN CONNECTION WITH ANY**
4 **ELECTION IN THE UNITED STATES.**

5 (a) APPLICATION FOR EXEMPTION.—Section 501 of
6 the Internal Revenue Code of 1986 is amended by adding
7 at the end the following:

8 “(s) CERTIFICATION.—In the case of an organization
9 described in subsection (c) for which an application is re-
10 quired for exemption from tax under subsection (a), such
11 application shall not be treated as complete unless the ap-
12 plication contains a certification that the organization will
13 not, directly or indirectly—

14 “(1) use foreign funds to make—

15 “(A) a contribution or donation of money
16 or other thing of value, or to make an express
17 or implied promise to make a contribution or
18 donation, in connection with any Federal, State
19 or local election,

20 “(B) a contribution or donation to a com-
21 mittee of a political party, or

22 “(C) an expenditure, independent expendi-
23 ture, or disbursement for an electioneering com-
24 munication (within the meaning of section
25 304(f)(3) of the Federal Election Campaign Act
26 of 1971 (52 U.S.C. 30104(f)(3))), or

1 “(2) solicit, accept or receive a contribution or
2 donation described in paragraph (1) (A) or (B) from
3 a foreign national.”.

4 (b) CERTIFICATION BY (c)(4) ORGANIZATIONS.—

5 (1) IN GENERAL.—Section 506(a) of such Code
6 is amended by inserting before the period at the end
7 the following: “and shall include with such notifica-
8 tion the certification described in subsection (g)”.

9 (2) CERTIFICATION.—Section 506 of such Code
10 is amended by adding at the end the following:

11 “(g) CERTIFICATION.—The certification described in
12 this subsection with respect to an organization is a certifi-
13 cation that the organization will not, directly or indi-
14 rectly—

15 “(1) use foreign funds to make—

16 “(A) a contribution or donation of money
17 or other thing of value, or to make an express
18 or implied promise to make a contribution or
19 donation, in connection with any Federal, State
20 or local election,

21 “(B) a contribution or donation to a com-
22 mittee of a political party, or

23 “(C) an expenditure, independent expendi-
24 ture, or disbursement for an electioneering com-
25 munication (within the meaning of section

1 304(f)(3) of the Federal Election Campaign Act
2 of 1971 (52 U.S.C. 30104(f)(3)), or

3 “(2) solicit, accept or receive a contribution or
4 donation described in paragraph (1) (A) or (B) from
5 a foreign national.”.

6 (c) ANNUAL REPORTING.—Section 6033 of the Inter-
7 nal Revenue Code of 1986 is amended by redesignating
8 subsection (n) as subsection (o) and by inserting after sub-
9 section (m) the following:

10 “(n) CERTIFICATION.—The annual return required
11 by subsection (a) for an organization described in section
12 501(e) and exempt from tax under section 501(a) shall
13 not be treated as complete unless the return contains a
14 certification that the organization did not, directly or indi-
15 rectly—

16 “(1) use foreign funds to make—

17 “(A) a contribution or donation of money
18 or other thing of value, or to make an express
19 or implied promise to make a contribution or
20 donation, in connection with a Federal, State,
21 or local election in the year,

22 “(B) a contribution or donation to a com-
23 mittee of a political party, or

24 “(C) an expenditure, independent expendi-
25 ture, or disbursement for an electioneering com-

1 munication (within the meaning of section
2 304(f)(3) of the Federal Election Campaign Act
3 of 1971 (52 U.S.C. 30104(f)(3))), or

4 “(2) solicit, accept or receive a contribution or
5 donation described in paragraph (1) (A) or (B) from
6 a foreign national.”.

7 (d) GAO STUDY.—The Comptroller General of the
8 United States shall—

9 (1) conduct a study of the political activities of
10 corporations to determine whether foreign money is
11 being used in United States elections, and

12 (2) not later than July 1, 2017, submit a report
13 of such study to the Committee on House Adminis-
14 tration of the House of Representatives and the
15 Committee on Rules and Administration of the Sen-
16 ate.

17 (e) EFFECTIVE DATE.—

18 (1) The amendment made by subsection (a)
19 shall apply to applications filed after the date of the
20 enactment of this Act.

21 (2) The amendment made by subsection (b)
22 shall apply to returns filed for taxable years begin-
23 ning after the date of the enactment of this Act.

1 **SEC. 3. INCLUDING CERTIFICATIONS IN REPORTS FILED**
2 **UNDER FEDERAL ELECTION CAMPAIGN ACT**
3 **OF 1971 BY ORGANIZATIONS MAKING DIS-**
4 **BURSEMENTS FOR INDEPENDENT EXPENDI-**
5 **TURES OR ELECTIONEERING COMMUNICA-**
6 **TIONS.**

7 (a) INDEPENDENT EXPENDITURES.—Section
8 304(e)(2) of the Federal Election Campaign Act of 1971
9 (52 U.S.C. 30104(c)(2)) is amended—

10 (1) by striking “and” at the end of subpara-
11 graph (B);

12 (2) by striking the period at the end of sub-
13 paragraph (C) and inserting “; and”; and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(D) in the case of an independent expenditure
17 made by an organization that is described in section
18 501(c) of the Internal Revenue Code of 1986 and
19 exempt from taxation under section 501(a) of such
20 Code (or has submitted an application for deter-
21 mination of tax exempt status under such section),
22 a certification that the organization did not use for-
23 eign funds to make the expenditure.”.

24 (b) ELECTIONEERING COMMUNICATIONS.—Section
25 304(f)(2) of such Act (52 U.S.C. 30104(f)(2)) is amended
26 by adding at the end the following new subparagraph:

1 “(G) If the person making the disburse-
2 ment is an organization that is described in sec-
3 tion 501(c) of the Internal Revenue Code of
4 1986 and exempt from taxation under section
5 501(a) of such Code (or has submitted an ap-
6 plication for determination of tax exempt status
7 under such section), a certification that the per-
8 son did not use foreign funds to make the dis-
9 bursement.”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall apply with respect to reports required
12 to be filed under the Federal Election Campaign Act of
13 1971 on or after the date of the enactment of this Act.

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