

118TH CONGRESS
2D SESSION

H. R. 7033

To amend the Internal Revenue Code of 1986 to apply a 6 percent excise tax on large endowments of certain private colleges and universities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 2024

Mr. CALVERT introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to apply a 6 percent excise tax on large endowments of certain private colleges and universities, 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 “Woke Endowment Se-
5 curity Tax Act of 2024” or the “WEST Act of 2024”.

1 **SEC. 2. EXCISE TAX ON CERTAIN LARGE PRIVATE COLLEGE**
 2 **AND UNIVERSITY ENDOWMENTS.**

3 (a) IN GENERAL.—Subchapter H of chapter 42 of
 4 the Internal Revenue Code of 1986 is amended by adding
 5 at the end the following new section:

6 **“SEC. 4969. EXCISE TAX ON CERTAIN LARGE PRIVATE COL-**
 7 **LEGE AND UNIVERSITY ENDOWMENTS.**

8 “(a) TAX IMPOSED.—There is hereby imposed on
 9 each specified applicable educational institution for the in-
 10 stitution’s first taxable year beginning in 2023 a tax equal
 11 to 6 percent of the aggregate fair market value of the as-
 12 sets of the institution at the end of the preceding taxable
 13 year.

14 “(b) SPECIFIED APPLICABLE EDUCATIONAL INSTI-
 15 TUTION.—For purposes of this subchapter, with respect
 16 to a taxable year, the term ‘specified applicable edu-
 17 cational institution’ means—

18 “(1) any applicable educational institution,
 19 other than an institution which is religious in na-
 20 ture, the aggregate fair market value of the assets
 21 of which at the end of the preceding taxable year
 22 (other than those assets which are used directly in
 23 carrying out the institution’s exempt purpose) is at
 24 least \$12,200,000,000, and

25 “(2) any applicable educational institution—

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.