

Union Calendar No. 546

118TH CONGRESS
2D SESSION

H. R. 8314

[Report No. 118-649]

To amend the Internal Revenue Code of 1986 to impose penalties with respect to contributions to political committees from certain tax exempt organizations that receive contributions from foreign nationals.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2024

Ms. MALLIOTAKIS introduced the following bill; which was referred to the
Committee on Ways and Means

SEPTEMBER 6, 2024

Additional sponsor: Mr. GALLEG0

SEPTEMBER 6, 2024

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 8, 2024]

A BILL

To amend the Internal Revenue Code of 1986 to impose penalties with respect to contributions to political committees from certain tax exempt organizations that receive contributions from foreign nationals.

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 “No Foreign Election*
 5 *Interference Act”.*

6 **SEC. 2. PENALTIES WITH RESPECT TO CONTRIBUTIONS TO**
 7 **POLITICAL COMMITTEES FROM CERTAIN TAX**
 8 **EXEMPT ORGANIZATIONS THAT ACCEPT CON-**
 9 **TRIBUTIONS FROM FOREIGN NATIONALS.**

10 *(a) IN GENERAL.—Part I of subchapter B of chapter*
 11 *68 of the Internal Revenue Code of 1986 is amended by*
 12 *adding at the end the following new section:*

13 **“SEC. 6720D. CONTRIBUTIONS TO POLITICAL COMMITTEES**
 14 **FROM CERTAIN TAX EXEMPT ORGANIZATIONS**
 15 **THAT ACCEPT CONTRIBUTIONS FROM FOR-**
 16 **EIGN NATIONALS.**

17 *“(a) IN GENERAL.—Any specified tax exempt organi-*
 18 *zation that makes any disqualified political committee con-*
 19 *tribution shall pay a penalty equal to twice the amount*
 20 *of such contribution.*

21 *“(b) DISQUALIFIED POLITICAL COMMITTEE CON-*
 22 *TRIBUTION.—For purposes of this section—*

23 *“(1) IN GENERAL.—The term ‘disqualified polit-*
 24 *ical committee contribution’ means, with respect to*
 25 *any organization described in section 501(c), any*

1 *contribution made by such organization to a political*
 2 *committee (as defined in section 301 of the Federal*
 3 *Election Campaign Act of 1971 (52 U.S.C. 30101)) if*
 4 *such organization received, during any testing period,*
 5 *any contribution or gift (within the meaning of sec-*
 6 *tion 6033(b)(5)) from a foreign national (as defined*
 7 *in section 319(b) of the Federal Election Campaign*
 8 *Act of 1971 (52 U.S.C. 30121(b))).*

9 “(2) *TESTING PERIOD.*—*The term ‘testing pe-*
 10 *riod’ means, with respect to any contribution by an*
 11 *organization described in section 501(c), the 8-year*
 12 *period ending on the date of such contribution, except*
 13 *that such period shall not include any period before*
 14 *the date of the enactment of this section.*

15 “(c) *SPECIFIED TAX EXEMPT ORGANIZATION.*—*For*
 16 *purposes of this section—*

17 “(1) *IN GENERAL.*—*The term ‘specified tax ex-*
 18 *empt organization’ means, with respect to any taxable*
 19 *year, any organization described in section 501(c)*
 20 *and exempt from tax under section 501(a) if—*

21 “(A) *the gross receipts of such organization*
 22 *for such taxable year equal or exceed \$200,000,*
 23 *or*

1 “(B) the assets of such organization (deter-
 2 mined as of the close of such taxable year) equal
 3 or exceed \$500,000.

4 “(2) COORDINATION WITH REVOCATION OF TAX
 5 EXEMPT STATUS BY REASON OF MAKING DISQUALI-
 6 FIED POLITICAL COMMITTEE CONTRIBUTIONS.—An or-
 7 ganization which is not exempt from tax under sec-
 8 tion 501(a) solely by reason of section 501(s) shall be
 9 treated for purposes of paragraph (1) of this sub-
 10 section as exempt from tax under section 501(a) with
 11 respect to the application of this section to the first
 12 3 disqualified political committee contributions of
 13 such organization.”.

14 (b) REVOCATION OF EXEMPT STATUS UPON THIRD
 15 DISQUALIFIED POLITICAL COMMITTEE CONTRIBUTION.—
 16 Section 501 of the Internal Revenue Code of 1986 is amend-
 17 ed by adding at the end the following new subsection:

18 “(s) REVOCATION OF EXEMPT STATUS OF CERTAIN
 19 ORGANIZATIONS THAT ACCEPT CONTRIBUTIONS FROM
 20 FOREIGN NATIONALS AND MAKE CONTRIBUTIONS TO PO-
 21 LITICAL COMMITTEES.—Any organization described in sub-
 22 section (c) which makes more than 2 disqualified political
 23 committee contributions (as defined in section 6720D(b))
 24 shall not be exempt from taxation under subsection (a) for

1 *any taxable year ending on or after the date of the third*
2 *such contribution.”.*

3 *(c) CLERICAL AMENDMENT.—The table of sections for*
4 *part I of subchapter B of chapter 68 of such Code is amend-*
5 *ed by adding at the end the following new item:*

“Sec. 6720D. Contributions to political committees from certain tax exempt orga-
nizations that accept contributions from foreign nationals.”.

6 *(d) EFFECTIVE DATE.—The amendments made by this*
7 *section shall apply with respect to contributions made on*
8 *or after January 1, 2025, by organizations described in sec-*
9 *tion 501(c) of the Internal Revenue Code of 1986.*

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