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119TH CONGRESS
1ST SESSION

H. R. 1879

To amend the Internal Revenue Code of 1986 to deny the tax exempt status for bonds issued by sanctuary jurisdictions.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2025

Ms. MACE (for herself, Mr. GILL of Texas, Mr. MOORE of Alabama, Mr. PERRY, Mr. CLYDE, Mr. MAST, Mr. MCDOWELL, Mr. HARRIS of Maryland, Mr. BURCHETT, Mr. RULLI, Mr. NEHLS, Mr. STEUBE, Mr. GOODEN, and Mr. OGLES) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to deny the tax exempt status for bonds issued by sanctuary jurisdictions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "No Tax Breaks for Sanctuary Cities Act".

SEC. 2. DENIAL OF TAX EXEMPT STATUS FOR BONDS ISSUED BY SANCTUARY JURISDICTIONS.

(a) IN GENERAL.—Subsection (b) of section 103 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(4) BOND ISSUED BY SANCTUARY JURISDICTION.—Any bond that is issued by a sanctuary jurisdiction (as determined on the date of issuance).".

(b) SANCTUARY JURISDICTION DEFINED.—Section 103(c) of such Code is amended by adding at the end the following:

"(3) SANCTUARY JURISDICTION.—The term 'sanctuary jurisdiction' means a State or political subdivision of a State that has in effect a statute, ordinance, policy, or practice that prohibits or restricts any government entity or official from—

"(A) sending, receiving, maintaining, or exchanging with any Federal, State, or local government entity information regarding the citizenship or immigration status (lawful or unlawful) of any individual, or

"(B) complying with a request lawfully made by the Department of Homeland Security under section 236 or 287 of the Immigration and Nationality Act (8 U.S.C. 1226 and 1357) to comply with a detainer for, or notify about the release of, an individual.''.

(c) LIST OF SANCTUARY JURISDICTIONS.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Secretary of the Treasury (or the Secretary's delegate) shall, after consultation with the Secretary of Homeland Security, publish a list of sanctuary jurisdictions for purposes of section 103(b)(4) of the Internal Revenue Code of 1986.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply in taxable years ending after the date of the enactment of this Act to any obligation issued after the date of the enactment of this Act.

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