

119TH CONGRESS  
1ST SESSION

# H. R. 446

To amend the Internal Revenue Code of 1986 to increase the rate of the excise tax on investment income of private colleges and universities.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2025

Mr. NEHLS (for himself and Ms. BOEBERT) 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 increase the rate of the excise tax on investment income of private colleges and universities.

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 “Endowment Tax Fair-  
5 ness Act”.

6 **SEC. 2. EXCISE TAX BASED ON INVESTMENT INCOME OF**  
7 **PRIVATE COLLEGES AND UNIVERSITIES.**

8 (a) INCREASE IN RATE OF TAX.—Section 4968(a) of  
9 the Internal Revenue Code of 1986 is amended by striking  
10 “1.4 percent” and inserting “21 percent”.

1       (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years beginning after  
3 the date of the enactment of this Act.

4       (c) FEDERAL DEBT REDUCTION.—The revenue de-  
5 rived from the amendment made by this section shall be  
6 deposited in the general fund of the Treasury and shall  
7 be used to reduce the national deficit, to the extent there-  
8 of, and thereafter to reduce the national debt.

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