118TH CONGRESS  
2D Session

S.

To amend title 1, United States Code, to clarify that certain tax exemptions are not treated as Federal financial assistance.

IN THE SENATE OF THE UNITED STATES

Mr. Rubio (for himself, Mr. Vance, Mr. Braun, Mrs. Blackburn, Mr. Hawley, Mr. Schmitt, and Mr. Cruz) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend title 1, United States Code, to clarify that certain tax exemptions are not treated as Federal financial assistance.

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 “Safeguarding Charity
5  Act”.

SEC. 2. FEDERAL FINANCIAL ASSISTANCE NOT TO INCLUDE CERTAIN TAX BENEFITS.

(a) In General.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following new section:

"SEC. 9. FEDERAL FINANCIAL ASSISTANCE.

"In the case of any organization described in subsection (c) or (d) of section 501 of the Internal Revenue Code of 1986 or any organization described in section 401(a) of such Code, for purposes of any Federal law, rule, or regulation, unless explicitly provided otherwise, the term 'Federal financial assistance,' or any other term referring to assistance provided by the Federal government, shall not include any exemption from Federal income tax."

(b) Clerical Amendment.—The table of contents for chapter 1 of title 1, United States Code, is amended by adding at the end the following new item:

"9. Federal financial assistance."

(e) Rule of Construction.—Nothing in this section or the amendments made by this section shall be construed to imply that an exemption from Federal income taxes under section 501(a) of the Internal Revenue Code of 1986 constituted assistance from the Federal government for periods before the date of the enactment of this Act.