

118TH CONGRESS
2D SESSION

S. _____

To amend the Internal Revenue Code of 1986 to modify the penalties relating to the disclosure of tax return information relating to contributors to certain tax-exempt organizations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. YOUNG (for himself and Mr. LANKFORD) introduced the following bill;
which was read twice and referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to modify the penalties relating to the disclosure of tax return information relating to contributors to certain tax-exempt organizations, 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 “Protecting Charitable
5 Giving Act”.

1 **SEC. 2. UNAUTHORIZED DISCLOSURE OF INFORMATION RE-**
2 **LATING TO CONTRIBUTORS TO CERTAIN TAX-**
3 **EXEMPT ORGANIZATIONS.**

4 (a) IN GENERAL.—Section 7213 of the Internal Rev-
5 enue Code of 1986 is amended by redesignating subsection
6 (e) as subsection (f) and by inserting after subsection (d)
7 the following new subsection:

8 “(e) SPECIAL RULES FOR DISCLOSURES OF CON-
9 TRIBUTORS TO CERTAIN TAX-EXEMPT ORGANIZATIONS.—

10 “(1) INCREASED PENALTY.—In the case of any
11 disclosure of form 990 schedule B return informa-
12 tion, paragraphs (1), (2), (3), and (4) of subsection
13 (a) shall each be applied by substituting ‘not less
14 than \$10,000 and not exceeding \$250,000’ for ‘not
15 exceeding \$5,000’.

16 “(2) VENUE.—

17 “(A) IN GENERAL.—A prosecution for an
18 offense under paragraphs (1), (2), (3), or (4) of
19 subsection (a) relating to the disclosure of form
20 990 schedule B return information may be
21 brought in—

22 “(i) the judicial district in which a
23 victim of the offense resides, or

24 “(ii) any other judicial district with
25 jurisdiction otherwise provided for by law.

1 “(B) RESIDENCY.—For purposes of deter-
2 mining venue under this paragraph—

3 “(i) an individual shall be deemed to
4 reside in the judicial district in which that
5 individual is domiciled, and

6 “(ii) an organization shall be deemed
7 to reside in the judicial district in which
8 the organization maintains its principal
9 place of business.

10 “(C) VICTIM.—For purposes of this para-
11 graph, the term ‘victim’ includes—

12 “(i) the organization whose form 990
13 schedule B information was disclosed, and

14 “(ii) any contributor to such organiza-
15 tion who is described in paragraph (3)(B).

16 “(3) FORM 990 SCHEDULE B INFORMATION.—

17 For purposes of this subsection, the term ‘form 990
18 schedule B information’ means any information
19 which—

20 “(A) is return information (as defined in
21 section 6103(b)) of—

22 “(i) an organization described in sec-
23 tion 501(c)(3) (other than a private foun-
24 dation, as defined in section 509(a)), or

1 “(ii) an organization described in sec-
2 tion 501(c)(4), and

3 “(B) contains the names or address of any
4 contributor to such organization.”.

5 (b) **EFFECTIVE DATE.**—The amendments made by
6 this section shall apply to disclosures made after the date
7 of the enactment of this Act.

8 **SEC. 3. AUDITS AND REPORTS ON UNAUTHORIZED DISCLO-**
9 **SURES RELATING TO CONTRIBUTORS OF**
10 **CERTAIN TAX-EXEMPT ORGANIZATIONS.**

11 Section 7803(d)(3) of the Internal Revenue Code of
12 1986 is amended by striking “and” at the end of subpara-
13 graph (B), by striking the period at the end of subpara-
14 graph (C) and inserting “; and”, and by adding at the
15 end the following new subparagraph:

16 “(D) issue a report with respect to any
17 disclosure of form 990 schedule B information
18 (as defined in section 7213(e)(3)) to which sec-
19 tion 7213(e) applies, which report shall—

20 “(i) describe the result of an audit on
21 the occurrence of such disclosure,

22 “(ii) recommend steps to prevent simi-
23 lar further such disclosures in the future,
24 and

1 “(iii) be appropriately redacted to pro-
2 tect any return information (as defined in
3 section 6103(b)).”.