

114TH CONGRESS  
2D SESSION

# H. R. 5581

To amend the Internal Revenue Code of 1986 to prohibit certain charitable organizations from accepting contributions from persons connected to foreign governments.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 24, 2016

Mr. GOHMERT (for himself and Mr. OLSON) 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 prohibit certain charitable organizations from accepting contributions from persons connected to foreign governments.

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 “Contributions Legally  
5 Interdicted from Noncitizens To Our Nonprofits Act of  
6 2016” or as the “CLINTON Act of 2016”.

1 **SEC. 2. CERTAIN CHARITABLE ORGANIZATIONS PROHIB-**  
2 **ITED FOR ACCEPTING CONTRIBUTIONS FROM**  
3 **PERSONS CONNECTED TO FOREIGN GOVERN-**  
4 **MENTS.**

5 (a) IN GENERAL.—Section 501 of the Internal Rev-  
6 enue Code of 1986 is amended by adding at the end the  
7 following new subsection:

8 “(s) PROHIBITION ON ACCEPTANCE OF CONTRIBU-  
9 TIONS FROM PERSONS CONNECTED TO FOREIGN GOV-  
10 ERNMENTS BY 501(c)(3) ORGANIZATIONS ESTABLISHED  
11 BY CERTAIN FEDERAL OFFICIALS.—

12 “(1) TERMINATION OF TAX-EXEMPT STATUS.—  
13 A Federal official organization shall not be treated  
14 as described in subsection (c)(3) with respect to any  
15 period after the date on which such organization  
16 knowingly or willingly accepts or solicits any con-  
17 tribution from any person connected to a foreign  
18 government. If a Federal official organization ac-  
19 cepts a contribution from any person and learns that  
20 such person is connected to a foreign government  
21 after such acceptance, such organization shall not be  
22 treated for purposes of this subsection as knowingly  
23 or willingly accepting such contribution from such  
24 person if such contribution is returned to such per-  
25 son not later than the date which is 30 days after

1 the date on which the organization so learns the sta-  
2 tus of such person.

3 “(2) FORFEITURE OF PROHIBITED CONTRIBU-  
4 TIONS.—There is hereby imposed a tax on any Fed-  
5 eral official organization which knowingly or will-  
6 ingly accepts any contribution from any person con-  
7 nected to any foreign government in an amount  
8 equal to the amount of such contribution.

9 “(3) FEDERAL OFFICIAL ORGANIZATION.—For  
10 purposes of this subsection, the term ‘Federal offi-  
11 cial organization’ means any organization described  
12 in subsection (c)(3) (or which would be so described  
13 without regard to paragraph (1)) if one or more  
14 Federal officials established, control, or actively par-  
15 ticipate in the management of, such organization.  
16 For purposes of the preceding sentence, service in a  
17 merely honorary capacity shall not be treated as  
18 control or active participation in management.

19 “(4) FEDERAL OFFICIAL.—For purposes of this  
20 subsection, the term ‘Federal official’ means any in-  
21 dividual who—

22 “(A) at any time prior the date of the con-  
23 tribution referred to in paragraph (1) or (2), is  
24 serving or has served as President or Vice-  
25 President, or

1           “(B) at any time during the 20-year period  
2 ending on the date of the contribution referred  
3 to in paragraph (1) or (2), holds or has held  
4 any of the following positions in the Federal  
5 government:

6                   “(i) Any Member of Congress (includ-  
7 ing any Delegate and Resident Commis-  
8 sioner).

9                   “(ii) Any officer or employee ap-  
10 pointed by the President, Vice-President,  
11 or any agency head and subject to con-  
12 firmation by the Senate.

13                   “(iii) Any of the following positions  
14 which are held at the pleasure of the Presi-  
15 dent:

16                           “(I) Assistant to the President.

17                           “(II) Chief of staff.

18                           “(III) National security advisor.

19                           “(IV) Deputy chief of staff.

20                   “(iv) Any Federal judge, without re-  
21 gard to the article of the Constitution pur-  
22 suant to which appointed.

23                   “(5) PERSONS CONNECTED TO FOREIGN GOV-  
24 ERNMENT.—For purposes of this subsection, the

1 term ‘person connected to a foreign government’  
2 means the following:

3 “(A) Any department, agency, or instru-  
4 mentality of a foreign government.

5 “(B) Any public international organization  
6 (as defined in section 104 of the Foreign Cor-  
7 rupt Practices Act of 1977 (15 U.S.C. 78dd-  
8 2)).

9 “(C) Any officer or employee of any entity  
10 described in subparagraph (A) or (B).

11 “(D) Any individual who was described in  
12 subparagraph (C) at any time during the 20-  
13 year period ending on the date on which the  
14 contribution from such individual is accepted or  
15 solicited.

16 “(E) Any person acting in an official ca-  
17 pacity for or on behalf of any entity described  
18 in subparagraph (A) or (B).

19 “(F) Any person belonging to a ruling or  
20 royal family by virtue of sanguinity or mar-  
21 riage.

22 “(G) Any person related within four de-  
23 grees of consanguinity to a person described in  
24 subparagraph (E) or (F).”.

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

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