

117TH CONGRESS
1ST SESSION

H. R. 894

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

FEBRUARY 5, 2021

Mr. ROSENDALE (for himself, Mr. GOSAR, Mr. DUNCAN, Mr. WEBER of Texas, Mr. HARRIS, Mr. ROY, Mr. NORMAN, Mr. CLYDE, Mr. MOORE of Alabama, Mr. HICE of Georgia, Mr. GOHMERT, Mrs. GREENE of Georgia, Mr. LAMALFA, Mr. MOONEY, Mr. GOOD of Virginia, Mr. GIBBS, Mr. JACKSON, Mr. PERRY, and Mr. STEUBE) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

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

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 “No Tax Breaks for
5 Sanctuary Cities Act”.

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

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

6 “(4) BOND ISSUED BY SANCTUARY JURISDIC-
7 TION.—Any bond that is issued by a sanctuary juris-
8 diction.”.

9 (b) SANCTUARY JURISDICTION DEFINED.—Section
10 103(e) of such Code is amended by adding at the end the
11 following:

12 “(3) SANCTUARY JURISDICTION.—The term
13 ‘sanctuary jurisdiction’ means a State or political
14 subdivision of a State that has in effect a statute,
15 ordinance, policy, or practice that prohibits or re-
16 stricts any government entity or official from—

17 “(A) sending, receiving, maintaining, or
18 exchanging with any Federal, State, or local
19 government entity information regarding the
20 citizenship or immigration status (lawful or un-
21 lawful) of any individual, or

22 “(B) complying with a request lawfully
23 made by the Department of Homeland Security
24 under section 236 or 287 of the Immigration
25 and Nationality Act (8 U.S.C. 1226 and 1357)

1 to comply with a detainer for, or notify about
2 the release of, an individual.”.

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

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