

115TH CONGRESS
2D SESSION

S. 3284

To amend the Internal Revenue Code of 1986 to require certain tax-exempt organizations to include on annual returns the names and addresses of substantial contributors, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 26, 2018

Mr. TESTER (for himself, Mr. WYDEN, Mr. UDALL, Mr. WHITEHOUSE, Mr. BLUMENTHAL, Mr. VAN HOLLEN, Mr. REED, Mr. NELSON, Ms. HIRONO, Ms. HASSAN, Mr. MERKLEY, Mr. KAINE, Mrs. MCCASKILL, Mr. PETERS, Mr. BENNET, Mrs. MURRAY, Mr. HEINRICH, Ms. CORTEZ MASTO, Mr. CARPER, Mr. BROWN, Mr. DURBIN, Ms. HEITKAMP, Mr. CASEY, Mr. KING, Mr. MENENDEZ, Mr. MURPHY, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to require certain tax-exempt organizations to include on annual returns the names and addresses of substantial contributors, 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 “Spotlight Act”.

1 **SEC. 2. INCLUSION OF CONTRIBUTOR INFORMATION ON**
2 **ANNUAL RETURNS OF CERTAIN ORGANIZA-**
3 **TIONS.**

4 (a) **REPEAL OF REVENUE PROCEDURE.**—Revenue
5 Procedure 2018–38 shall have no force and effect.

6 (b) **INCLUSION OF CONTRIBUTOR INFORMATION.**—

7 (1) **SOCIAL WELFARE ORGANIZATIONS.**—Sec-
8 tion 6033(f)(1) of the Internal Revenue Code of
9 1986 is amended by inserting “(5),” after “para-
10 graphs”.

11 (2) **LABOR ORGANIZATIONS AND BUSINESS**
12 **LEAGUES.**—Section 6033 of such Code is amended
13 by redesignating subsection (n) as subsection (o)
14 and by inserting after subsection (m) the following
15 new subsection:

16 “(n) **ADDITIONAL REQUIREMENTS FOR ORGANIZA-**
17 **TIONS DESCRIBED IN SUBSECTIONS (c)(5) AND (c)(6) OF**
18 **SECTION 501.**—Every organization which is described in
19 paragraph (5) or (6) of section 501(c) and which is subject
20 to the requirements of subsection (a) shall include on the
21 return required under subsection (a) the information re-
22 ferred to in subsection (b)(5).”.

23 (3) **EFFECTIVE DATE.**—The amendments made
24 by this subsection shall apply to returns required to
25 be filed for taxable years ending on or after Decem-
26 ber 31, 2018.

1 (c) MODIFICATION TO DISCRETIONARY EXCEP-
2 TIONS.—Section 6033(a)(3)(B) of the Internal Revenue
3 Code of 1986 is amended to read as follows:

4 “(B) DISCRETIONARY EXCEPTIONS.—

5 “(i) IN GENERAL.—Paragraph (1)
6 shall not apply to any organization if the
7 Secretary made a determination under this
8 subparagraph before July 16, 2018, that
9 such filing is not necessary to the efficient
10 administration of the internal revenue
11 laws.

12 “(ii) RECOMMENDATIONS FOR OTHER
13 EXCEPTIONS.—The Secretary may rec-
14 ommend to Congress that Congress relieve
15 any organization required under paragraph
16 (1) to file an information return from fil-
17 ing such a return if the Secretary deter-
18 mines that such filing does not advance a
19 national security, law enforcement, or tax
20 administration purpose.”.

21 (d) DISCLOSURE OF INFORMATION.—

22 (1) IN GENERAL.—Section 6104(b) of the In-
23 ternal Revenue Code of 1986 is amended by striking
24 “Nothing in this subsection shall authorize the Sec-
25 retary to disclose the name and address of any con-

1 tributor to any organization” and inserting “In the
2 case of any organization described in paragraphs
3 (4), (5), or (6) of section 501(c) which files a return
4 under section 6033, such information shall include
5 the name and address of any contributor to such or-
6 ganization which is required to be included on the
7 return, but nothing in this subsection shall authorize
8 the Secretary to disclose the name or address of any
9 contributor to any other organization”.

10 (2) CONFORMING AMENDMENT.—Section
11 6104(d)(3)(A) of such Code is amended by striking
12 the first sentence and inserting the following: “In
13 the case of any organization described in paragraphs
14 (4), (5), or (6) of section 501(c) which files a return
15 under section 6033, any copies of annual returns
16 provided under paragraph (1) shall include informa-
17 tion relating to the name and address of any con-
18 tributor to such organization, but nothing in such
19 paragraph shall require the disclosure of the name
20 or address of any contributor to any other organiza-
21 tion (other than a private foundation (within the
22 meaning of section 509(a)) or political organization
23 exempt from taxation under section 527).”.

24 (3) EFFECTIVE DATE.—The amendments made
25 by this subsection shall apply to returns required to

1 be filed for taxable years ending after December 31,
2 2017.

○