

118TH CONGRESS  
2D SESSION

# S. 4326

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.

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IN THE SENATE OF THE UNITED STATES

MAY 14, 2024

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

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## 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 ORGANIZA-  
10 TIONS.—

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

17 “(2) VENUE.—

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

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

25 “(ii) any other judicial district with  
26 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)).”.

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