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.

This Act may be cited as the “Protecting Charitable Giving Act”. 
SEC. 2. UNAUTHORIZED DISCLOSURE OF INFORMATION RELATING TO CONTRIBUTORS TO CERTAIN TAX-EXEMPT ORGANIZATIONS.

(a) In General.—Section 7213 of the Internal Revenue Code of 1986 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

“(e) Special Rules for Disclosures of Contributors to Certain Tax-exempt Organizations.—

“(1) Increased penalty.—In the case of any disclosure of form 990 schedule B return information, paragraphs (1), (2), (3), and (4) of subsection (a) shall each be applied by substituting ‘not less than $10,000 and not exceeding $250,000’ for ‘not exceeding $5,000’.

“(2) Venue.—

“(A) In general.—A prosecution for an offense under paragraphs (1), (2), (3), or (4) of subsection (a) relating to the disclosure of form 990 schedule B return information may be brought in—

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

“(ii) any other judicial district with jurisdiction otherwise provided for by law.
“(B) Residency.—For purposes of determining venue under this paragraph—

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

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

“(C) Victim.—For purposes of this paragraph, the term ‘victim’ includes—

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

“(ii) any contributor to such organization who is described in paragraph (3)(B).

“(3) Form 990 Schedule B Information.—

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

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

“(i) an organization described in section 501(e)(3) (other than a private foundation, as defined in section 509(a)), or
“(ii) an organization described in section 501(c)(4), and

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

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

SEC. 3. AUDITS AND REPORTS ON UNAUTHORIZED DISCLOSURES RELATING TO CONTRIBUTORS OF CERTAIN TAX-EXEMPT ORGANIZATIONS.

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

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

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

“(ii) recommend steps to prevent similar further such disclosures in the future,

and
“(iii) be appropriately redacted to protect any return information (as defined in section 6103(b)).”.