

119TH CONGRESS  
2D SESSION

# H. R. 10148

To amend the Internal Revenue Code of 1986 to clarify that certain exemptions from Federal income tax are not treated as Federal financial assistance.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 24, 2026

Mr. STEUBE (for himself and Ms. DELBENE) 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 clarify that certain exemptions from Federal income tax are not treated as Federal financial assistance.

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 “Safeguarding Amer-  
5 ica’s Nonprofits Act”.

1 **SEC. 2. CERTAIN EXEMPTIONS FROM FEDERAL INCOME**  
2 **TAX NOT TREATED AS FEDERAL FINANCIAL**  
3 **ASSISTANCE.**

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

7 “(s) CERTAIN EXEMPTIONS NOT TREATED AS FED-  
8 ERAL FINANCIAL ASSISTANCE.—In the case of any orga-  
9 nization described in subsection (c) or (d) or any organiza-  
10 tion described in section 401(a), for purposes of any Fed-  
11 eral law, rule, or regulation, unless explicitly provided oth-  
12 erwise, the term ‘Federal financial assistance’, or any  
13 other term referring to assistance provided by the Federal  
14 Government, shall not include any exemption from the  
15 taxes imposed by this subtitle.”.

16 (b) RULE OF CONSTRUCTION.—Nothing in this sec-  
17 tion or the amendments made by this section shall be con-  
18 strued to imply that an exemption from Federal income  
19 taxes under section 501(a) of the Internal Revenue Code  
20 of 1986 constituted assistance from the Federal Govern-  
21 ment for periods before the date of the enactment of this  
22 Act.

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