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115TH CONGRESS
1ST SESSION

S. 264

To amend the Internal Revenue Code of 1986 to allow charitable organizations to make statements relating to political campaigns if such statements are made in the ordinary course of carrying out its tax exempt purpose.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1, 2017

Mr. LANKFORD (for himself and Mr. PAUL) 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 allow charitable organizations to make statements relating to political campaigns if such statements are made in the ordinary course of carrying out its tax exempt purpose.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''The Free Speech Fairness Act''.

SEC. 2. ALLOWING 501(c)(3) ORGANIZATION TO MAKE STATEMENTS RELATING TO POLITICAL CAMPAIGN IN ORDINARY COURSE OF CARRYING OUT ITS TAX EXEMPT PURPOSE.

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(s) SPECIAL RULE RELATING TO POLITICAL CAMPAIGN STATEMENTS OF ORGANIZATION DESCRIBED IN SUBSECTION (c)(3).—

''(1) IN GENERAL.—For purposes of subsection (c)(3) and sections 170(c)(2), 2055, 2106, 2522, and 4955, an organization shall not fail to be treated as organized and operated exclusively for a purpose described in subsection (c)(3), nor shall it be deemed to have participated in, or intervened in any political campaign on behalf of (or in opposition to) any candidate for public office, solely because of the content of any statement which—

''(A) is made in the ordinary course of the organization's regular and customary activities in carrying out its exempt purpose, and

''(B) results in the organization incurring not more than de minimis incremental expenses.''.

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

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