119TH CONGRESS
1ST SESSION

H. R. 6335

To amend the Internal Revenue Code of 1986 to impose a tax on digital advertising services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 1, 2025

Mr. AUCHINCLOSS (for himself and Ms. GOODLANDER) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Education and Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To amend the Internal Revenue Code of 1986 to impose a tax on digital advertising services, and for other purposes.

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 ‘‘Education Not Endless Scrolling Act’’.

SEC. 2. TAX ON DIGITAL ADVERTISING SERVICES.

(a) IN GENERAL.—Chapter 33 of the Internal Revenue Code of 1986 is amended by inserting after subchapter C the following new subchapter:

"Subchapter D—Digital Advertising Services

"SEC. 4286. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is hereby imposed on each covered taxpayer for any taxable year a tax equal to 50 percent of the amount by which the taxpayer's gross receipts for the preceding taxable year which are attributable to hosting digital advertising services in the United States exceeds $2,500,000,000.

"(b) COVERED TAXPAYER.—For purposes of this section, the term 'covered taxpayer' means, with respect to any taxable year, any person—

"(1) engaged in the business of hosting digital advertising services, and

"(2) whose gross receipts for the preceding taxable year which are attributable to hosting digital advertising services are at least $2,500,000,000.

"(c) DIGITAL ADVERTISING SERVICES.—For purposes of this section, the term 'digital advertising services' means advertisement services on digital interfaces, including advertisements in the form of banner advertising, search engine advertising, interstitial advertising, sponsored shopping and search results, and other comparable advertising services.

"(d) OTHER DEFINITIONS.—In this section—

"(1) GROSS RECEIPTS.—The term 'gross receipts' has the same meaning as when used in section 448(c)(3)(C).

"(2) DIGITAL INTERFACE.—The term 'digital interface' means any type of software, including a website, a part of a website, or an application.

"(e) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations that impose a penalty fee on any person engaged in the business of hosting digital advertising services who deliberately advertises or promotes the use of virtual private network services for the purpose of evading the tax imposed under this section.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 33 of such Code is amended by inserting after the item relating to subchapter C the following new item:

"SUBCHAPTER D—DIGITAL ADVERTISING SERVICES".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 3. LOCAL JOURNALISM PRESERVATION TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 9512. LOCAL JOURNALISM PRESERVATION TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Local Journalism Preservation Trust Fund', consisting of such amounts as may be appropriated to such Trust Fund as provided in this section.

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the Local Journalism Preservation Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under section 4286. Such amounts shall be held in such Trust Fund unless and until a law is enacted which establishes a tax credit for—

"(1) local journalism entities for expenses related to the hiring of journalists, or

"(2) small businesses for expenses related to advertising in local news outlets.

"(c) TRANSFERS FROM TRUST FUND ON ACCOUNT OF CERTAIN CREDITS.—After the effective date of the first law which meets the description in subsection (b), the Secretary shall pay from time to time into the general fund of the Treasury amounts equivalent to the credits allowed under each law which meets the description of subsection (b). Such amounts shall be transferred on the basis of estimates by the Secretary, and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the credits allowed.''.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end the following new item:

''9512. Local Journalism Preservation Trust Fund.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after December 31, 2025.

SEC. 4. ONE-ON-ONE TUTORING TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986, as amended by section 3, is amended by adding at the end the following new section:

''SEC. 9513. ONE-ON-ONE TUTORING TRUST FUND.

''(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'One-on-One Tutoring Trust Fund', consisting of such amounts as may be appropriated to such Trust Fund as provided in this section.

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the One-on-One Tutoring Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under section 4286.

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the One-on-One Tutoring Trust Fund shall be available, without further appropriation, for making expenditures to carry out the purposes of the grant program established under section 6 of the Education Not Endless Scrolling Act.".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code, as amended by section 3, is amended by adding at the end the following new item:

"9513. One-on-One Tutoring Trust Fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after December 31, 2025.

SEC. 5. CAREER AND TECHNICAL EDUCATION SUPPORT TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986, as amended by the preceding provisions of this Act, is amended by adding at the end the following new section:

"SEC. 9514. CAREER AND TECHNICAL EDUCATION SUPPORT TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Career and Technical Education Support Trust Fund', consisting of such amounts as may be appropriated to such Trust Fund as provided in this section.

"(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—There are hereby appropriated to the Career and Technical Education Support Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under section 4286.

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Career and Technical Education Support Trust Fund shall be available, without further appropriation, for making expenditures to carry out section 111 of the Carl D. Perkins Career and Technical Education Act of 1965.".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such Code, as amended by the preceding provisions of this Act, is amended by adding at the end the following new item:

"9514. Career and Technical Education Support Trust Fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after December 31, 2025.

SEC. 6. GRANT PROGRAM.

(a) GRANT PROGRAM AUTHORIZED.—Not later than 180 days after the date of enactment of this Act, the Secretary of Education shall award grants, on a competitive basis, to State educational agencies to provide funds to eligible schools served by such agencies to support individual tutoring programs for students.

(b) REGULATIONS.—The Secretary of Education shall promulgate regulations and issue any guidance that may be necessary to award the grants under subsection (a), which shall include any application requirements, grant periods, and grant amounts, and the requirements for the individual tutoring programs to be funded by such grants.

(c) DEFINITIONS.—In this section:

(1) ELIGIBLE SCHOOL.—The term ''eligible school'' means an elementary school or secondary school that receives funds under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(2) ESEA TERMS.—The terms ''elementary school'', ''secondary school'', and ''State educational

agency'' have the meanings given the terms in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

SEC. 7. SUPPORT FOR CAREER AND TECHNICAL EDUCATION.

Section 111 of the Carl D. Perkins Career and Technical Education Act of 1965 (20 U.S.C. 2321) is amended by adding at the end the following:

''(e) CLARIFICATION.—For fiscal year 2027 and each succeeding fiscal year, each place in this section that the phrases 'amount appropriated under section 9' and 'amount appropriated for allotments under this section' are used, such phrases shall also include the aggregate amount appropriated to the Career and Technical Education Support Trust Fund under section 9514 of the Internal Revenue Code of 1986 for the preceding fiscal year.''.

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