

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

A BILL

To amend the Internal Revenue Code of 1986 to impose a tax on digital advertising services, 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 “Education Not Endless
5 Scrolling Act”.

1 **SEC. 2. TAX ON DIGITAL ADVERTISING SERVICES.**

2 (a) IN GENERAL.—Chapter 33 of the Internal Rev-
 3 enue Code of 1986 is amended by inserting after sub-
 4 chapter C the following new subchapter:

5 **“Subchapter D—Digital Advertising Services**

“Sec. 4286. Imposition of tax.

6 **“SEC. 4286. IMPOSITION OF TAX.**

7 “(a) IN GENERAL.—There is hereby imposed on each
 8 covered taxpayer for any taxable year a tax equal to 50
 9 percent of the amount by which the taxpayer’s gross re-
 10 cepts for the preceding taxable year which are attrib-
 11 utable to hosting digital advertising services in the United
 12 States exceeds \$2,500,000,000.

13 “(b) COVERED TAXPAYER.—For purposes of this sec-
 14 tion, the term ‘covered taxpayer’ means, with respect to
 15 any taxable year, any person—

16 “(1) engaged in the business of hosting digital
 17 advertising services, and

18 “(2) whose gross receipts for the preceding tax-
 19 able year which are attributable to hosting digital
 20 advertising services are at least \$2,500,000,000.

21 “(c) DIGITAL ADVERTISING SERVICES.—For pur-
 22 poses of this section, the term ‘digital advertising services’
 23 means advertisement services on digital interfaces, includ-
 24 ing advertisements in the form of banner advertising,
 25 search engine advertising, interstitial advertising, spon-

1 sored shopping and search results, and other comparable
 2 advertising services.

3 “(d) OTHER DEFINITIONS.—In this section—

4 “(1) GROSS RECEIPTS.—The term ‘gross re-
 5 ceipts’ has the same meaning as when used in sec-
 6 tion 448(c)(3)(C).

7 “(2) DIGITAL INTERFACE.—The term ‘digital
 8 interface’ means any type of software, including a
 9 website, a part of a website, or an application.

10 “(e) REGULATIONS.—The Secretary shall issue such
 11 regulations or other guidance as may be necessary or ap-
 12 propriate to carry out the purposes of this section, includ-
 13 ing regulations that impose a penalty fee on any person
 14 engaged in the business of hosting digital advertising serv-
 15 ices who deliberately advertises or promotes the use of vir-
 16 tual private network services for the purpose of evading
 17 the tax imposed under this section.”.

18 (b) CLERICAL AMENDMENT.—The table of sub-
 19 chapters for chapter 33 of such Code is amended by in-
 20 serting after the item relating to subchapter C the fol-
 21 lowing new item:

“SUBCHAPTER D—DIGITAL ADVERTISING SERVICES”.

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

1 **SEC. 3. LOCAL JOURNALISM PRESERVATION TRUST FUND.**

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

5 **“SEC. 9512. LOCAL JOURNALISM PRESERVATION TRUST**
6 **FUND.**

7 “(a) CREATION OF TRUST FUND.—There is hereby
8 established in the Treasury of the United States a trust
9 fund to be known as the ‘Local Journalism Preservation
10 Trust Fund’, consisting of such amounts as may be appro-
11 priated to such Trust Fund as provided in this section.

12 “(b) TRANSFER TO TRUST FUND OF AMOUNTS
13 EQUIVALENT TO CERTAIN TAXES.—There are hereby ap-
14 propriated to the Local Journalism Preservation Trust
15 Fund amounts equivalent to one-third of the taxes re-
16 ceived in the Treasury under section 4286. Such amounts
17 shall be held in such Trust Fund unless and until a law
18 is enacted which establishes a tax credit for—

19 “(1) local journalism entities for expenses re-
20 lated to the hiring of journalists, or

21 “(2) small businesses for expenses related to
22 advertising in local news outlets.

23 “(c) TRANSFERS FROM TRUST FUND ON ACCOUNT
24 OF CERTAIN CREDITS.—After the effective date of the
25 first law which meets the description in subsection (b), the
26 Secretary shall pay from time to time into the general

1 fund of the Treasury amounts equivalent to the credits
 2 allowed under each law which meets the description of
 3 subsection (b). Such amounts shall be transferred on the
 4 basis of estimates by the Secretary, and proper adjust-
 5 ments shall be made in amounts subsequently transferred
 6 to the extent prior estimates were in excess of or less than
 7 the credits allowed.”.

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

“9512. Local Journalism Preservation Trust Fund.”.

11 (c) EFFECTIVE DATE.—The amendments made by
 12 this section shall apply to taxes received after December
 13 31, 2025.

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

15 (a) IN GENERAL.—Subchapter A of chapter 98 of the
 16 Internal Revenue Code of 1986, as amended by section
 17 3, is amended by adding at the end the following new sec-
 18 tion:

19 **“SEC. 9513. ONE-ON-ONE TUTORING TRUST FUND.**

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

1 “(b) TRANSFER TO TRUST FUND OF AMOUNTS
 2 EQUIVALENT TO CERTAIN TAXES.—There are hereby ap-
 3 propriated to the One-on-One Tutoring Trust Fund
 4 amounts equivalent to one-third of the taxes received in
 5 the Treasury under section 4286.

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

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

“9513. One-on-One Tutoring Trust Fund.”.

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to taxes received after December
 18 31, 2025.

19 **SEC. 5. CAREER AND TECHNICAL EDUCATION SUPPORT**
 20 **TRUST FUND.**

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

1 **“SEC. 9514. CAREER AND TECHNICAL EDUCATION SUPPORT**
2 **TRUST FUND.**

3 “(a) CREATION OF TRUST FUND.—There is hereby
4 established in the Treasury of the United States a trust
5 fund to be known as the ‘Career and Technical Education
6 Support Trust Fund’, consisting of such amounts as may
7 be appropriated to such Trust Fund as provided in this
8 section.

9 “(b) TRANSFER TO TRUST FUND OF AMOUNTS
10 EQUIVALENT TO CERTAIN TAXES.—There are hereby ap-
11 propriated to the Career and Technical Education Support
12 Trust Fund amounts equivalent to one-third of the taxes
13 received in the Treasury under section 4286.

14 “(c) EXPENDITURES FROM TRUST FUND.—Amounts
15 in the Career and Technical Education Support Trust
16 Fund shall be available, without further appropriation, for
17 making expenditures to carry out section 111 of the Carl
18 D. Perkins Career and Technical Education Act of
19 1965.”.

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

“9514. Career and Technical Education Support Trust Fund.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxes received after December
3 31, 2025.

4 **SEC. 6. GRANT PROGRAM.**

5 (a) GRANT PROGRAM AUTHORIZED.—Not later than
6 180 days after the date of enactment of this Act, the Sec-
7 retary of Education shall award grants, on a competitive
8 basis, to State educational agencies to provide funds to
9 eligible schools served by such agencies to support indi-
10 vidual tutoring programs for students.

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

18 (c) DEFINITIONS.—In this section:

19 (1) ELIGIBLE SCHOOL.—The term “eligible
20 school” means an elementary school or secondary
21 school that receives funds under title I of the Ele-
22 mentary and Secondary Education Act of 1965 (20
23 U.S.C. 6301 et seq.).

24 (2) ESEA TERMS.—The terms “elementary
25 school”, “secondary school”, and “State educational

1 agency” have the meanings given the terms in sec-
2 tion 8101 of the Elementary and Secondary Edu-
3 cation Act of 1965 (20 U.S.C. 7801).

4 **SEC. 7. SUPPORT FOR CAREER AND TECHNICAL EDU-**
5 **CATION.**

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

9 “(e) CLARIFICATION.—For fiscal year 2027 and each
10 succeeding fiscal year, each place in this section that the
11 phrases ‘amount appropriated under section 9’ and
12 ‘amount appropriated for allotments under this section’
13 are used, such phrases shall also include the aggregate
14 amount appropriated to the Career and Technical Edu-
15 cation Support Trust Fund under section 9514 of the In-
16 ternal Revenue Code of 1986 for the preceding fiscal
17 year.”.

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