

119TH CONGRESS
1ST SESSION

S. 2849

To amend the Internal Revenue Code of 1986 to prohibit certain foreign nationals from serving on the board of directors of tax-exempt organizations.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 17 (legislative day, SEPTEMBER 16), 2025

Mr. COTTON introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to prohibit certain foreign nationals from serving on the board of directors of tax-exempt organizations.

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 “Nonprofit Governance
5 Integrity Act”.

6 **SEC. 2. PROHIBITION ON CERTAIN FOREIGN NATIONALS** 7 **SERVING TAX-EXEMPT ORGANIZATIONS.**

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

1 “(s) PROHIBITION ON CITIZENS OF COVERED NA-
 2 TIONS SERVING CERTAIN ORGANIZATIONS.—

3 “(1) IN GENERAL.—Any organization to which
 4 this subsection applies shall not be treated as ex-
 5 empt from tax if any member of the board of direc-
 6 tors (or similar governing body) of such organization
 7 is a citizen or national of a covered nation (as de-
 8 fined in section 7701(a)(51)(I)(ii)).

9 “(2) ORGANIZATIONS TO WHICH THIS SUB-
 10 SECTION APPLIES.—This subsection shall apply to—

11 “(A) any organization described in sub-
 12 section (c)(3) (other than a church or conven-
 13 tion or association of churches),

14 “(B) any organization described in sub-
 15 section (c)(4), and

16 “(C) any organization described in sub-
 17 section (c)(6).”.

18 (b) EFFECTIVE DATE.—The amendment made by
 19 this section shall apply to taxable years beginning after
 20 the date of the enactment of this Act.

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