

116TH CONGRESS
1ST SESSION

H. R. 177

To amend the Internal Revenue Code of 1986 to provide for waivers of user fees imposed with respect to applications for reinstatement of tax-exempt status of small, subsidiary tax-exempt organizations.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2019

Mr. GRIFFITH introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide for waivers of user fees imposed with respect to applications for reinstatement of tax-exempt status of small, subsidiary 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,*

1 **SECTION 1. WAIVER OF USER FEES ON REINSTATEMENT**
2 **APPLICATIONS OF REINSTATED SMALL, SUB-**
3 **SIDIARY TAX-EXEMPT ORGANIZATIONS**
4 **AFTER AUTOMATIC REVOCATION.**

5 (a) IN GENERAL.—Section 6033(j) of the Internal
6 Revenue Code of 1986 is amended by adding at the end
7 the following new paragraph:

8 “(4) WAIVER OF USER FEE ON REINSTATE-
9 MENT APPLICATIONS FOR CERTAIN TAX-EXEMPT
10 SUBSIDIARIES.—If, upon application for reinstate-
11 ment of status as an organization exempt from tax
12 under section 501(a), an organization described in
13 paragraph (1) can show that—

14 “(A) the organization has, after the failure
15 described in paragraph (1), filed any return or
16 notice with respect to which such failure to file
17 triggered the automatic revocation referred to
18 in paragraph (1), and

19 “(B) the organization—

20 “(i) is a subsidiary of an entity that
21 is exempt from tax under section 501(a),
22 and

23 “(ii) that subsidiary, for each of the 3
24 consecutive years referred to in paragraph
25 (1) relating to such failure, has fewer than
26 50 members (as reported to such entity),

1 the organization's exempt status shall be reinstated
2 effective from the date of the revocation under such
3 paragraph and the Secretary shall waive any user
4 fee imposed with respect to such application.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall apply with respect to applications for
7 reinstatement filed after the date of the enactment of this
8 Act.

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