



United States House Committee on
Ways & Means
CHAIRMAN JASON SMITH

American Donor Privacy and Foreign Funding Transparency Act (H.R. 8293)

Sponsored by: Rep. Schweikert

Background: The Supreme Court has affirmed that associational privacy is a **Constitutional right**, including as recently as the 2021 case *Americans for Prosperity Foundation v. Bonta*. It is imperative to **protect domestic nonprofit donors' privacy under the First Amendment**. Separately, due to current laws and regulations, there is no way to tell if a **foreign national** has contributed to a tax-exempt (TE) organization via annual disclosure reports.

Issue: **U.S. citizens** have experienced **retaliation** after their donations to nonprofit organizations led to the public disclosure of their personal information. TE organizations, however, are not required to disclose whether or not they have received contributions from **foreign nationals**. While it is important to protect Americans' donor privacy rights, the **lack of transparency** surrounding which TE organizations receive contributions from **foreign nationals** presents issues in the enforceability of the Federal Election Campaign Act (FECA).

- Under FECA, foreign nationals are **prohibited** from donating money to political committees.
- Due to current laws and regulations, there is no way to tell if a foreign national contributed to a **TE organization** that subsequently **donated to political committees**.
- Without a change in law, foreign money could continue to play a significant role in American politics, particularly if U.S. nonprofits do not have to **disclose contributions they receive from foreign nationals**.

The American Donor Privacy and Funding Transparency Act amends the Internal Revenue Code to require all TE organizations to publicly report information on foreign donations they receive, while maintaining privacy protections for Americans.

- The bill amends 26 U.S. Code § 6033 to require the **annual disclosure of contributions** received by organizations described in Section 501(c) which are required to file an annual return from **foreign sources**. The bill requires the following information to be disclosed:
 - Whether the organization accepted any **foreign donations** in a calendar year;
 - The **total combined amount** of donations from foreign sources;
 - The **country of citizenship** or principal place of business of any foreign source that made a donation; and
 - The **total amount** of donations sourced **from each country**.
- This bill also **protects American donors** by preventing federal agencies from collecting or requiring the submission of information on the identification of any donor to a TE organization.