



United States House Committee on
Ways & Means
CHAIRMAN JASON SMITH

Foreign Grant Reporting Act (H.R. 8290)

Sponsored by: Rep. Smucker

Background: Under current law, most tax-exempt (TE) organizations report detailed information about the **grants they issue to U.S.-based organizations**. The information they must disclose about **foreign grant recipients**, however, is far less detailed.

Issue: On November 13, 2023, the Committee held a hearing, *From Ivory Towers to Dark Corners: Investigating the Nexus Between Antisemitism, Tax-Exempt Universities, and Terror Financing*. During the hearing, concerns were raised about U.S.-based TE **organizations that may be providing material support to terrorist organizations abroad**, including Hamas. As a consequence, Americans may be unknowingly making donations to organizations that support terrorism. In addition, the activities of some TE organizations raise concerns about the lack of transparency surrounding grants or other assistance to foreign entities. For example, EcoHealth Alliance—a TE organization—received a grant from the National Institute of Allergy and Infectious Diseases to understand the risk of bat coronavirus emergence, but EcoHealth outsourced the laboratory work to the Wuhan Institute of Virology in China.

On the **Form 990**—the tax form that all TE organizations must file annually to the Internal Revenue Service (IRS)—TE organizations must disclose information about **domestic organizations** to which the TE organizations gave more than **\$5,000** per tax year. TE organizations provide this information in Schedule I—a Form 990 supplement—and they must disclose the grantee’s name, address, and employer identification number.

Due to current IRS regulations, TE organizations that issue **grants to foreign recipients disclose far less information** on Schedule F—the form where they disclose information about foreign grants—as opposed to the information that they must disclose about domestic grants in Schedule I. The lack of information disclosed in Schedule F makes it nearly impossible to determine TE organizations’ foreign grantees.

The Foreign Grant Reporting Act would require 501(c) organizations to include certain information regarding grants they provide to foreign entities in their annual tax filing.

- The bill amends 26 U.S.C. § 6033 by requiring TE organizations under 26 U.S.C. § 501(c) to report the following information regarding grants or other assistance to foreign entities:
 - The **name** and **address** of the foreign entity;
 - The **aggregate amount** of such grants or other assistance provided to such foreign entities during the year; and
 - Whether the foreign entity is a charity.