

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9722
OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Fair Treatment of Re-
3 ligious Organizations Act of 2026”.

**4 SEC. 2. DETERMINATION OF RELIGIOUS PURPOSE FOR
5 PURPOSES OF TAX-EXEMPT STATUS.**

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

9 “(s) DETERMINATION OF RELIGIOUS PURPOSE.—
10 For purposes of this section—

11 “(1) a religious belief or practice concerning
12 marriage, sexuality, or gender identity shall not be
13 treated as being inconsistent with law or public pol-
14 icy, and

15 “(2) a belief shall not fail to be treated as a re-
16 ligious belief merely because such belief is not com-
17 pelled by or central to a system of religion.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2025.

