United States House Committee on
Ways & Means
CHAIRMAN JASON SMITH

H.R. 9722, *Fair Treatment of Religious Organizations Act*

Rep. Blake Moore (R-UT)

Background:

- Under current law, the IRS determines whether an organization qualifies for tax-exempt status under IRC §501(c)(3), including whether its purpose is religious.
  - As a result of previous litigation, it has been established the **IRS may revoke exemption** where an organization's activities violate fundamental public policy.
- The **IRS has used this revocation authority to weaponize against conservative organizations** in the past, and this bill will ensure the same does not happen to religious organizations.
  - The Obama Administration's IRS, under official Lois Lerner, **singled out conservative and Tea Party groups** applying for tax-exempt status with extra scrutiny, delays, and intrusive questioning.
  - The Biden Administration's IRS **denied § 501(c)(3) tax-exempt status** to Christians Engaged, a Texas nonprofit**, stating its Bible teachings were "typically affiliated with" the Republican Party.**
- Religious institutions could be vulnerable should a future Administration declare **traditional religious values to be against public policy**, thus allowing a **revocation of their tax-exempt status on purely partisan grounds.**

H.R. 9722, *Fair Treatment of Religious Organizations Act*:

- Amends IRC §501 to require that determinations of religious purpose be made **without regard to an organization's beliefs or practices** concerning marriage, sexuality, or gender identity—even if inconsistent with public policy. Protections extend to §501(c) status, eligibility for deductible contributions, and any other federal benefit tied to charitable status.
- Clarifies that **a belief does not fail to be treated as a religious belief merely because it is not compelled by or central to a system of religion**.
- The amendments apply to taxable years beginning after December 31, 2025.