JOINT COMMITTEE ON TAXATION
July 21, 2026
JCX-41-26

DESCRIPTION OF THE CHAIRMAN’S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 9721, THE “FISCAL SPONSORSHIP TRANSPARENCY ACT OF 2026”

The Chairman’s amendment in the nature of a substitute (“AINS”) strikes the language of the bill and replaces it with similar language with the following changes.

In section 2 of H.R. 9721, in the case of a specified tax-exempt organization, new section 4960A(a)(1) imposes a tax equal to 20 percent of the “amount transferred” pursuant to an improper conduit arrangement. The AINS changes “amount transferred” to “amount knowingly transferred.”

In addition, the phrase “clause (i)” on page 8, line 13 is replaced with the phrase “subparagraph (A),” the word “6033(p)(1)(C)(i)” on page 10, line 14 is replaced with the word “6033(p)(1)(C),” and the word “subsection” on page 10, line 18 is replaced with the word “section.”