

119TH CONGRESS
1ST SESSION

H. R. 446

To amend the Internal Revenue Code of 1986 to increase the rate of the excise tax on investment income of private colleges and universities.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2025

Mr. NEHLS (for himself and Ms. BOEBERT) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the rate of the excise tax on investment income of private colleges and universities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Endowment Tax Fair-
5 ness Act”.

6 **SEC. 2. EXCISE TAX BASED ON INVESTMENT INCOME OF**
7 **PRIVATE COLLEGES AND UNIVERSITIES.**

8 (a) INCREASE IN RATE OF TAX.—Section 4968(a) of
9 the Internal Revenue Code of 1986 is amended by striking
10 “1.4 percent” and inserting “21 percent”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 the date of the enactment of this Act.

4 (c) FEDERAL DEBT REDUCTION.—The revenue de-
5 rived from the amendment made by this section shall be
6 deposited in the general fund of the Treasury and shall
7 be used to reduce the national deficit, to the extent there-
8 of, and thereafter to reduce the national debt.

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