

119TH CONGRESS  
1ST SESSION

# S. 2780

To clarify the treatment of certain tips for purposes of the tax deduction for qualified tips.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 2025

Mr. GALLEGRO introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To clarify the treatment of certain tips for purposes of the tax deduction for qualified tips.

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 “No Tax on Large  
5 Party Tips Act”.

6 **SEC. 2. TREATMENT OF CERTAIN TIPS.**

7 (a) IN GENERAL.—For purposes of section  
8 224(d)(2)(A) of the Internal Revenue Code of 1986—

9 (1) any tip automatically added to a customer’s  
10 bill at the time of payment, and

- 1 (2) any tip that is a suggested tip prompted by
- 2 a business,
- 3 shall be treated as paid voluntarily.

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