

118TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to impose an asset test on professional sports leagues qualifying for 501(c)(6) status.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to impose an asset test on professional sports leagues qualifying for 501(c)(6) status.

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 “Sports League Tax-
5 Exempt Status Limitation Act”.

6 **SEC. 2. ASSET TEST FOR PROFESSIONAL SPORTS LEAGUES.**

7 (a) IN GENERAL.—Paragraph (6) of section 501(c)
8 of the Internal Revenue Code of 1986 is amended—

9 (1) by inserting “(A)” after “(6)” , and

1 (2) by adding at the end the following new sub-
2 paragraph:

3 “(B) Subparagraph (A) shall not apply to any
4 professional football league if the average annual
5 value of the assets of such league, as reported on the
6 league’s annual return, for any 3-taxable-year period
7 beginning after December 31, 2020, exceeds
8 \$500,000,000.”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2023.