



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

February 14, 2014

**H.R. 3865  
Stop Targeting of Political Beliefs by the IRS Act of 2014**

*As ordered reported by the House Committee on Ways and Means  
on February 11, 2014*

H.R. 3865 would amend federal law relating to certain tax-exempt nonprofit organizations. Specifically, the bill would require the Internal Revenue Service (IRS) to continue to use certain standards and definitions in effect on January 1, 2010, for determining whether an organization qualifies for tax-exempt status under section 501(c) (4) of the Internal Revenue Code. In addition, H.R. 3865 would prohibit the agency from issuing, revising, or finalizing any regulation related to those standards and definitions. The legislation's provisions would sunset one year after enactment.

CBO estimates that implementing the legislation would have no significant impact on IRS administrative costs, which are subject to appropriation. The staff of the Joint Committee on Taxation (JCT) estimates that enacting H.R. 3865 would result in a negligible loss of revenues over the 2014-2024 period, therefore, pay-as-you procedures apply.

JCT has determined that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.