

118TH CONGRESS  
1ST SESSION

# S. 3514

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

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IN THE SENATE OF THE UNITED STATES

DECEMBER 14, 2023

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

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the excise tax on net investment income of certain 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. INCREASE IN EXCISE TAX ON NET INVESTMENT**  
4 **INCOME.**

5 (a) IN GENERAL.—Section 4968 of the Internal Rev-  
6 enue Code of 1986 is amended by adding at the end the  
7 following new subsection:

8 “(e) INCREASE IN TAX IN CASE OF CERTAIN INSTI-  
9 TUTIONS.—In the case of an applicable educational insti-  
10 tution—

1           “(1) which is not religious in nature, and  
2           “(2) the aggregate fair market value of the as-  
3           sets of which at the end of the preceding taxable  
4           year (other than those assets which are used directly  
5           in carrying out the institution’s exempt purpose) is  
6           at least \$10,000,000,000,

7           subsection (a) shall be applied by substituting ‘35 percent’  
8           for ‘1.4 percent.’.”.

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

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