117TH CONGRESS
1ST SESSION

H. R. 6300

To amend the Internal Revenue Code of 1986 to impose a tax of 100 percent on amounts received as statutory damages under certain lawsuits filed under State law and to require the Secretary of the Treasury to issue grants for amounts paid under such State laws and reasonable attorney's fees.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2021

Mrs. FLETCHER (for herself and Mr. MALINOWSKI) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to impose a tax of 100 percent on amounts received as statutory damages under certain lawsuits filed under State law and to require the Secretary of the Treasury to issue grants for amounts paid under such State laws and reasonable attorney's fees.

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 "Stopping Abortion

5 Bounties Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Abortion is an essential health care service and allows individuals to have full autonomy over their bodies and their pregnancies, their families, and their lives.

(2) In 1973, the United States Supreme Court issued its landmark decision in Roe v. Wade guaranteeing the constitutional right to abortion.

(3) In the nearly fifty years since the Roe v. Wade decision, anti-abortion politicians have attempted to—and in some cases succeeded in—passing laws to restrict access to abortion.

(4) On May 19, 2021, the Governor of Texas signed Senate Bill 8 (hereafter referred to as "S.B. 8") into law, which bans abortion care after approximately six weeks of pregnancy—before many people even know they are pregnant.

(5) The Supreme Court allowed this unconstitutional law to go into effect on September 1, 2021, and remain in place in the following months.

(6) As a result of this law, many Texans have been forced to travel hundreds of miles and cross State lines to access constitutionally protected health care or to carry pregnancies to term against their will.

1   (7) Many people who obtain abortions in Texas

2 are at least six weeks into pregnancy, meaning that

3 abortion in most instances will be out of reach for

4 patients for as long as the law is in effect.

5   (8) S.B. 8 provides a private right of action al-

6 lowing ''any person'' to sue abortion providers and

7 ''any person'' who helps a person obtain an abortion

8 after approximately six weeks of pregnancy or in-

9 tends to do so.

10   (9) S.B. 8 incentivizes private individuals to sue

11 by providing that a prevailing plaintiff shall receive

12 at least $10,000 in damages, as well as costs and at-

13 torney's fees.

14   (10) This ban is an attempt to isolate individ-

15 uals seeking abortions in Texas from their commu-

16 nities and critical support networks, discouraging

17 them from helping for fear of being sued.

18   (11) Lawmakers in many other states have in-

19 troduced or have voiced their intent to introduce

20 similar bills.

21   (12) No one should profit from the restriction

22 of abortion, or a bounty intended to restrict access

23 to fundamental reproductive health care.

SEC. 3. TAX IMPOSED ON STATUTORY DAMAGES IN BOUNTY LAWSUITS.

(a) TAX IMPOSED.—The Internal Revenue Code of 1986 is amended by inserting after section 3 the following new section:

"SEC. 4. TAX ON CERTAIN AMOUNTS RECEIVED AS STATUTORY DAMAGES.

"(a) IN GENERAL.—There is hereby imposed a tax on amounts received as statutory damages under a State bounty statute of 100 percent of such amounts on each taxpayer who receives such amounts in a taxable year.

"(b) BOUNTY STATUTE.—For the purposes of this section, the term 'bounty statute' means a statute which authorizes a person to file a civil action and collect damages based on a violation of that statute, which violation involves exercising, or assisting another person in exercising, the constitutional right to have an abortion.

"(c) EXCLUSION FROM GROSS INCOME.—Gross income of a taxpayer determined under any provision of this title shall be determined without regard to any income described in subsection (a).

"(d) REPORTING.—The Secretary shall require reporting of such information and by such persons as the Secretary determines appropriate to prevent the avoidance of the tax imposed by this section.".

1 (b) CONFORMING AMENDMENT.—The table of sec-
2 tions for part I of subchapter A of chapter 1 of such Code
3 is amended by inserting after the item relating to section
4 3 the following new item:

"Sec. 4. Tax on certain amounts received as statutory damages.".

5 (c) EFFECTIVE DATE.—The amendments made by
6 this Act shall apply to amounts received after the date
7 of the enactment of this Act.

8 SEC. 4. GRANT TO DEFENDANTS IN CERTAIN CIVIL SUITS.

9 (a) IN GENERAL.—The Secretary of the Treasury
10 shall issue a grant to any person that pays or incurs
11 amounts under a court order resulting from a suit filed
12 under a bounty statute, as defined in section 4, in an
13 amount equal to the sum of—

14 (1) the amount paid or incurred by such person
15 as statutory damages under such bounty statute,
16 and

17 (2) reasonable attorney's fees paid or incurred
18 relating to such suit.

19 (b) GRANT EXCLUDED FROM INCOME.—Gross in-
20 come of a taxpayer determined under any provision of the
21 Internal Revenue Code of 1986 shall be determined with-
22 out regard to this section.

23 (c) APPROPRIATION.—There is hereby appropriated
24 to the Secretary of the Treasury the amount of the grants
25 made under this section.

1   (d) REGULATIONS.—The Secretary shall issue such

2 regulations or other guidance as may be necessary or ap-

3 propriate to carry out the purposes of this section.

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