**The Religious Economic Dissociation Act**

**A Bill to Revoke** **Tax Exempt Status on** **Religious Entities Shown to be** **Noncharitable,** **Affiliated with Crime, or** **Politically Involved, in order to Increase the Federal Budget, Further Encourage** **Charitable Foundation Donations, Dissociate** **Commonly Abused Legal Exemption Precedents, Put an End to Dangerous Religions Without First Amendment Violation, Prevent Forcing Citizens to Pay in Place of Churches, and Separate Church and State.**

BE IT ENACTED BY THE CONGRESS HERE ASSEMBLED THAT:

**Section 1**. Following the path laid out by other developed countries, (Such as Austria, Germany, Finland, Switzerland) religious entities in the United States ought to earn the status of tax-exempt religious charitable entities annually through mandatory open financial books and investigation into the political coercion of religious members by their affiliated institution, as well as investigation into criminal charges and accusations placed against religious entities and figures. Punishable practices listed in this bill are outlined to make these organizations, intended in the past to be charitable, accountable for upholding society whether by willing charity, or if insistent, by taxation and loss of official recognition as a religious entity.

It is encouraged that tax money collected from religious entities be put toward funding public education, and public healthcare, with an amount set aside to be put toward different social programs and subsidizing taxes of low tax bracket members, varying yearly by where it may be needed, after sufficient funds return to supporting this bill. It is suggested that this money does not be put into the federal military budget, nor should it be put toward or increase government officials’ or political salaries, except in the case it is doing so to fund actions necessary for this bill. When applicable, charity funds capable of subsidizing social program funds may do so, solely for the cause of funding this bill or providing other unassociated social programs with adequate funds.

**Section 2**. **Tax Exempt Status** – the state of having a federal exemption from paying property tax, sales tax, capital gains tax, and corporate income tax

**Religious Entities** - an entity that is set up exclusively for religious purposes and has obtained nonprofit tax status by default.

**Adequate Funds –** Enough funds based on the designated program which can at minimum keep a program running for the following few years, as agreed upon by financial placement.

**Affiliated Institution -** considered affiliated is when one company owns less than the majority interest in another company. Companies also may be affiliated when they are subsidiaries of a third company.

**Subsidiary Organization/Subsidiary Accounts** Parent entity is the sole owner or one of several owners of the child company or account

**Noncharitable –** An entity which yields higher than a 3% profit margin

**Politically Involved** - any activity that shapes, affects, or involves the political sphere. Including but not limited to: encouraging church members on how to vote, rally, or protest, donating to political campaigns, encouraging legislature on how to

**Affiliated with Crime** – breaking a federal, state, or local law; Failure to report federal, state, or local crimes especially when it may be beneficial for the entity

**Charitable Foundations** – non-profit organization with the objective of philanthropy and well-being. Must not be owned by entities nor any organizations which affiliate with said entities.

**Commonly Abused Legal Exemption Precedents** – Attempts and/or successes by individuals or organizations to evade established federal, state, or local laws. This includes but is not limited to: not acting as mandated reporters, circumventing city building requirements, physical abuse of students in private schools and churches, refusal to subject children to medical treatment in life and death situations, religious services not acquiring proper licensing.

**Separate Church and State** – The condition in which religion has absolutely no influence on any political or government policy.

**Religiously Diverse –** No favor toward any major religious entity. Similar churches may nominate only a single representative to maintain a 1:1 representation of religious entities and avoid bias on voting on issues. When directly pertaining to a particular entity, the representative may speak on the matter but may not vote on issues directly impacting the entity which they represent.

**Section 3.** Being that this policy is a proposal to reform the conditions in which tax-exemption is earned, those affected are all religious entities, those now obligated to paying taxes, and the nonprofit organizations filing for exemption. Only religious entities are eligible for exemption, as it is reform of existing tax exemption laws which only apply to religious groups, and not secular entities.

Also affected by this bill would be citizens in the lower tax bracket receiving tax cuts which are now to be partially subsidized by taxes of religious entities. Also benefitting from this bill will be those involved in managing public education, the majority of the US population who would require more benefits to medical assistance, those dependent on the assistance of various social programs, as well as where legislators decide surplus money should be sent.

Should an organization or its members (in name of the organization) be found to be turning higher than a 5% profit, reserving nonessential finances, storing finances in subsidiary organizations or subsidiary accounts, or be guilty of pressuring members to vote a certain way or support certain laws, an investigation will be opened the organization will answer to a committee of religiously diverse and unbiased professionals. Other factors susceptible to removal of the tax-exempt status are: Proof of cover up for crimes by members which would normally be prosecuted for, either discovered or admitted, the organization, or its members (in name of the organization) being responsible for or involved in crimes benefitting the organization financially in any way, which are not immediately reported to proper authorities. This list is to be expanded upon.

Religious entities not compliant with these outlined guidelines are to operate as any other type of organization with classification they fall under, with the default alternative being corporation classification.

**SECTION 4.** The Department of Justice and its Community Relations Service will be primarily responsible for determining why an institution does qualify for tax exempt status. Without clearing by them, as well as a newly founded inter-departmental committee to determine religious charity validity.

Regarding determining the financial tracking, this responsibility can be assumed by the aforementioned committee in alliance with the Federal Institutions Examination Council, as well as the Internal Revenue Service.

**Section 5.** As stated in Section 1, this bill, should it be passed, can be financially supported in its own enaction. This bill will greatly increase the income of the Federal Government, and the highest priority may be funding any positions or necessary action to support this legislature.

**SECTION 6.** **Taxing churches can bring in a possible $71B each year**

[**https://bigthink.com/21st-century-spirituality/how-to-make-71-billion-a-year-tax-the-churches**](https://bigthink.com/21st-century-spirituality/how-to-make-71-billion-a-year-tax-the-churches)

**Taxpayers subsidize what should be paid by churches costing upward of $83.5B**

[**https://www.washingtonpost.com/news/wonk/wp/2013/08/22/you-give-religions-more-than-82-5-billion-a-year/?utm\_term=.214f781bff01**](https://www.washingtonpost.com/news/wonk/wp/2013/08/22/you-give-religions-more-than-82-5-billion-a-year/?utm_term=.214f781bff01)

**Religious entities are known for abusing tax-exemption status**

[**https://www.theguardian.com/commentisfree/2012/nov/20/us-churches-tax-exemption-faithbased-politics**](https://www.theguardian.com/commentisfree/2012/nov/20/us-churches-tax-exemption-faithbased-politics)

**Religious entities exist which manipulate existing laws while not acting as charitable or nonprofit foundations**

[**https://www.forbes.com/sites/peterjreilly/2017/11/12/irs-and-scientology-everything-you-want-to-know-and-more/#49ac66874042**](https://www.forbes.com/sites/peterjreilly/2017/11/12/irs-and-scientology-everything-you-want-to-know-and-more/#49ac66874042)

This bill will aim to increase the federal budget and increase the separation between church and state by providing strict guidelines for religious entities and enforcing their role in society as charities for the bettering of their communities, rather than smaller governing bodies. These regulations include religious entities not turning higher than a 5% profit, committing crimes knowingly, or “hushing up” crimes, and not pressuring members how to vote or which laws to support. The bill also suggests how to use the finances, specifically putting it towards social services, subsidizing some taxes of families in lower tax brackets.