

**JUNE 2024**

**UT LAW | CLE**

 **TEXAS Law**  
The University of Texas at Austin  
School of Law

# **RECENT DEVELOPMENTS IN COLLEGE & UNIVERSITY TAX LAW**

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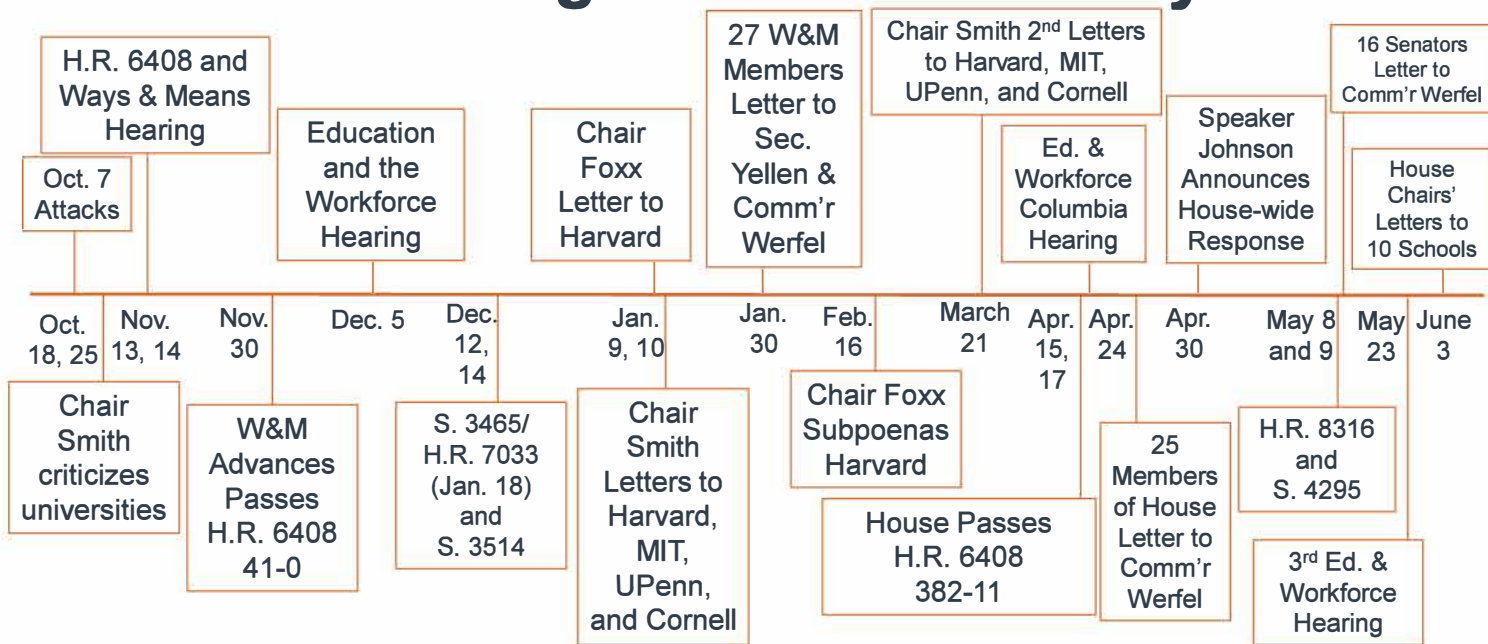
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## **Agenda**

- Legislative Developments
- IRS Updates
- Major Cases
- Election-Year Issues
- Special Issues: AMT, Athletics, Race-Conscious Programs, DAFs, and IRA Credits
- Reporting Requirements
- Other Developments

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# A Year of Congressional Scrutiny



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## Legislative Developments: H.R. 6408

- Would amend section 501(p) to allow Treasury to revoke the 501(c)(3) status of organizations that provide “material support or resources” to a designated terrorist organization.
  - “Material support or resources” includes:
    - Property
    - Money
    - Financial services
    - “Instruction or teaching designed to impart a specific skill”
    - “Advice or assistance derived from scientific, technical or other specialized knowledge”
- Implications for vetting campus chapters of national student organizations.

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# Legislative Developments: Endowments

- S. 3514: Would raise the section 4968 tax from 1.4% to 35%
- S. 3465/ H.R. 7033: Would impose a one-time 6% excise tax on investment assets (not income) exceeding \$12.2B
- H.R. 8316: Would impose a 1% excise tax on investment assets
- S. 4295: Would disqualify schools that do not remove encampments from receiving Title IV federal student assistance.
  - Would also impose a 50% excise tax on the investment assets of schools unless they provide grant funds to students equal to the Title IV assistance that was lost due to disqualification.

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# Legislative Developments

- H.R. 8290: Reporting grants made to foreign entities (Sch. F)
- H.R. 8293: Reporting contributions received from foreign sources

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## Title search: Recent Developments in College and University Tax Law

Also available as part of the eCourse

[2024 Higher Education Tax eConference](#)

First appeared as part of the conference materials for the 12<sup>th</sup> Annual Higher Education Taxation Institute session "Recent Developments in College and University Tax Law"