

## HR 5109

### DITCH Act

**Congress:** 118 (2023–2025, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Aug 1, 2023

**Current Status:** Referred to the Committee on Ways and Means, and in addition to the Committee on Foreign Affairs, fo

**Latest Action:** Referred to the Committee on Ways and Means, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Aug 1, 2023)

**Official Text:** <https://www.congress.gov/bill/118th-congress/house-bill/5109>

### Sponsor

**Name:** Rep. Gallagher, Mike [R-WI-8]

**Party:** Republican • **State:** WI • **Chamber:** House

### Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. LaHood, Darin [R-IL-16]	R · IL		Aug 1, 2023
Rep. Moolenaar, John R. [R-MI-2]	R · MI		Aug 1, 2023
Rep. Wittman, Robert J. [R-VA-1]	R · VA		Aug 1, 2023

### Committee Activity

Committee	Chamber	Activity	Date
Foreign Affairs Committee	House	Referred To	Aug 1, 2023
Ways and Means Committee	House	Referred To	Aug 1, 2023

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

Bill	Relationship	Last Action
118 HR 7476	Related bill	Dec 17, 2024: Referred to the Subcommittee on Trade.
118 S 2750	Related bill	Sep 7, 2023: Read twice and referred to the Committee on Finance.

## **Dump Investments in Troublesome Communist Holdings Act or the DITCH Act**

This bill denies an organization a tax exemption if it holds any interest in a disqualified Chinese company or fails to timely transmit required annual reports. A *disqualified Chinese company* is any corporation incorporated in China, or that invests more than 10% of its stock in certain Chinese entities, including entities controlled by the Chinese Communist Party.

The Department of the Treasury may grant organizations a waiver of the denial of the tax exemption under specified circumstances.

Organizations that hold any interest in a disqualified Chinese company must file annual reports describing each interest held in the company, the period during which such interest was held, and whether the organization has been granted a waiver.

### **Actions Timeline**

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- **Aug 1, 2023:** Introduced in House
- **Aug 1, 2023:** Referred to the Committee on Ways and Means, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.