

Quotes from Nonprofit Leaders

- “A federal proposal to limit the charitable deduction for certain Americans as a means to reduce the federal budget deficit is shortsighted. -- **Steve Gunderson**, *chief executive of the Council on Foundations* ([Gazette Extra](#), 5/12/11)
- “Doing anything to disincentivize giving is not a good thing. Especially when needs are high, the government isn’t contributing and the economy hasn’t recovered entirely.” -- **Diana Aviv**, *president, Independent Sector* ([Investment News](#), 4/14/11)
- “Politicians and policymakers should be doing everything they can to support the nonprofit community and its impact on our economy. That means protecting the charitable tax deduction, so we can continue to invest in programs that create jobs, move people into the workforce and out of poverty, and lay the groundwork for future financial security.” -- **Holly Welch Stubbing**, *senior vice president at Foundation for the Carolinas*, and **Bobbi Hapgood**, *executive director at N.C. Network of Grantmakers* ([Charlotte Observer](#), 7/15/11)
- “[Capping itemized deductions] would reduce the incentive for people to give at a time when Congress should be considering ways to increase charitable donations rather than decrease them.” -- **Neal Denton**, *senior vice president, American Red Cross* ([The Hill](#), 3/27/11)
- “The president thus will inhibit giving by making it less attractive to give. And this will impose pain on the recipients.” **Fay Vincent**, *CEO of Columbia Pictures Industries, Inc. and a former commissioner of Major League Baseball* ([Wall Street Journal](#), 9/15/11)
- “We worry a lot [about the deduction proposal] because the amount of government funding is so small. When you start tampering with deductibility, it can become the proverbial slippery slope. The cumulative effect could be devastating.” -- **Ford Bell**, *president and chief executive, American Association of Museums* ([Washington Post](#), 9/19/11)
- “Limiting the itemized deduction would certainly lead to a significant decrease in charitable contributions. If charities have less resources, they’ll be forced to choose between laying off employees or cutting needed services. Nonprofits employ almost 10 percent of the work force nationwide, and in many states nonprofits are the largest employers. In our view, cutting the deduction is like cutting your nose to spite your face.” -- **William C. Daroff**, *vice president for Public Policy, Jewish Federations of North America* ([Chronicle of Philanthropy](#), 9/12/11)
- “..the charitable deduction is not only fair but also an efficient way for the government to spur investment in communities.” -- **Nancy E. Jones**, *president and CEO, Community Foundation of North Texas*; **Tim McKinney**, *president and CEO, United Way of Tarrant County* ([Star Telegram](#), 7/25/11)
- “This goes to the core of who we are as a nation. We have a long tradition of charitable giving, of taking care of our own groups, and this deduction is an embodiment of that spirit.” -- **Steve Taylor**, *president, United Way Worldwide* ([Newsmax](#), 3/28/11)

- “Critics of the charitable deduction understand government, not individuals acting freely, as the better philanthropist. The war on the charitable deduction is about dismantling America’s tradition of voluntary charitable action and philanthropic freedom in favor of a government-run system...” -- **Jeff Cain**, *president, Arthur N. Rupe Foundation and secretary, Lillian S. Wells Foundation* ([Philanthropy Daily](#), 1/7/11)
- “President Obama's proposed tax plan would weaken the role of the local, the personal, and the voluntary. It would penalize those who can give the most, shift dollars from citizens and local private charities to distant government bureaucracies, and prioritize mandatory taxation over voluntary tithing and charitable giving.” -- **Ryan Messmore**, *William E. Simon Fellow in Religion and a Free Society in the Richard and Helen DeVos Center for Religion and Civil Society, The Heritage Foundation* ([Heritage Foundation](#), 4/10/09)
- "If there's an ounce of humanitarian blood in people, you would want to find greater ways to get money to nonprofit institutions to fill those gaps, and if you can do it in a way that generates jobs, it's a win-win." **Norman Ornstein**, a resident scholar at the American Enterprise Institute ([Huffington Post](#))
- “Government might see changes in charitable tax exemptions as a small pot of gold at the end of the nonprofit rainbow, but it is equally possible is that this could also unintentionally be the first step toward ending America’s longstanding tradition of encouraging private organizations to serve the public good.” -- **Peter Goldberg**, *formerly chief executive, Families International* ([Chronicle of Philanthropy](#), 8/15/11)
- “If this was a Republican president, we would have been outraged. We are letting our progressive-leaning bias and perhaps affinity to a historic president get in the way of what’s best for our (sector).” – Emmett Carson, president of the Silicon Valley Community Foundation on the charitable deduction proposal by President Obama to pay for the Jobs Act. ([San Francisco Business Times](#), 9/11)

THE WALL STREET JOURNAL.

Soak the Rich? No, Soak the Needy

Obama's proposal to limit charitable tax deductions punishes those who receive, not just those who give.

September 15, 2011

By [FAY VINCENT](#)

I am one of those people President Obama continually tries to tax more aggressively. And I'm willing to pay more if the additional taxes are part of a sensible tax policy. But Mr. Obama wants to pay for much of his new jobs legislation by restricting the deductibility of charitable contributions (along with other items such as home mortgage interest and state taxes) by those he has defined as wealthy.

In my opinion his willingness to punish churches, synagogues, schools and other charitable organizations is badly considered.

The president is under pressure to find ways to finance the \$447 billion jobs plan he announced last week. Of that amount, he proposes to raise \$405 billion over 10 years by limiting the value of itemized deductions. The way this will work is that individuals making a gift to a college, for example, will only be able to reduce their taxes by 28% of the gift, even if they are in the 33% or 35% tax bracket.

The effect is as follows. Under the current law, if an individual donates \$1,000 and is in the highest, 35%, bracket, his taxes would be reduced by \$350. Under the president's proposal, his tax savings will be capped at \$280.

The president thus will inhibit giving by making it less attractive to give. And this will impose pain on the recipients.

Why would he want to raise taxes by this convoluted method? Clearly the jobs proposal is a high priority for the White House. But does Mr. Obama really want to make it harder for me, or others in my position, to give?

At the moment a fine young woman is at the Mayo Clinic Medical School under a fellowship program I fund annually to pay her costs. She is a remarkable woman on her way to a superb medical career. If this new proposal either causes me to diminish my gift, or worse, to terminate it, I doubt the president would applaud.

His plan may assume I will continue to give because the gift still will be deductible but to a lesser degree. Yet by attempting to increase my taxes in this indirect manner, the president is not only giving an intentional whack at us wealthy but he will likely punish those who benefit from our gifts.

After all, there is only one reason to make a charitable gift deductible and that is to encourage giving. Tax policy is Congress saying we will use the tax laws to influence taxpayer behavior. Here the president is trying to influence me by increasing the costs to me of my gift. He may see it as a tax increase. I see it as a blow at the young medical student or at others who will be hurt if I and millions of others reduce our charitable giving.

When the president tells voters of his plans to increase taxes on the "millionaires and billionaires," as he often does, he seldom acknowledges the risks or potential costs to the nation if those wealthy taxpayers change their behavior and reduce their economic activities.

If tax policy influences behavior, increased taxes will reduce individual risk taking and make most of us more cautious. It is difficult to believe Mr. Obama would be willing to stand tall at the teleprompter to announce he wants fewer and lesser gifts to support minority education or medical research or any of the myriad other laudable programs and causes paid for by tax-deductible funds.

The lesson in all of this is clear. There are no easy solutions to the need for additional federal revenues. The jobs plan may be flawed. But the method the president has chosen to pay the costs of this new jobs effort unwisely conflates taxes and charitable giving.

Mr. Obama seems to believe that additional taxes will soak the rich. I believe he ought to look not at donors who will pay more, but at those who may get fewer and lesser gifts. There is no merit in a measure that would restrain individuals' charitable donations in order to raise their taxes.

Mr. Vincent, who has served as CEO of Columbia Pictures Industries, Inc., is a former commissioner of Major League Baseball.



For Immediate Release
September 28, 2011

Contact: Alison Hawkins
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(202) 822-8333

NONPROFIT ORGANIZATIONS STRONGLY SUPPORT KEEPING THE CHARITABLE DEDUCTION INTACT

Coalition of Organizations Send Letter to Congress, Plan Day on Capitol Hill

WASHINGTON, D.C.--In response to proposals to limit the charitable contribution tax deduction, a coalition of nonprofit organizations sent a letter to Senator Max Baucus (D-MT), chairman of the Senate Finance Committee and the members of the "Super Committee" laying out the potential damage to Americans seeking help from nonprofit services.

"Charities are being forced to do more with less," said Sue Santa, Senior Vice President for Public Policy at The Philanthropy Roundtable. "Giving has suffered significantly in recent years while the demand for help has risen. Now is not the time to do anything that could result in less giving. We sent this letter to send a strong message to Congress that they must preserve giving and keep the charitable contribution tax deduction intact."

The letter was signed by 19 organizations including the United Way, the Association of Gospel Rescue Missions, Jewish Federations of North America, and the American Red Cross. The letter noted charitable giving by American donors who itemize their tax returns dropped by about 20 percent from 2007 through 2009. Although giving rose slightly in 2010, the modest gain will do little to offset the low levels of giving during previous years.

To further speak out on proposals to dial back the charitable contribution, the Alliance for Charitable Reform (ACR), which is a project of The Philanthropy Roundtable, will be hosting more than two dozen nonprofit leaders from around the country for a "Fly in/Speak Out: Preserve Giving" day on Capitol Hill. The delegation will meet with dozens of congressional offices to reinforce the importance of preserving the charitable contribution tax deduction.

"More than 70 percent of all giving in this country is done by individuals. Americans have a strong interest in preserving the tradition of generous charitable giving," said Santa. "We oppose the reduction of this tax provision where there is wide uncertainty about the possible ripple effects it could have on organizations that help the most vulnerable in our communities."

The full text of the letter is pasted below. You can also find the letter at:

http://acreform.com/images/uploads/2011-09-21_September_Nonprofit_Coalition_Letter.pdf

For more information about ACR, this letter or the "Fly in/Speak Out: Preserve Giving" day on Capitol Hill, contact Alison Hawkins at ahawkins@philanthropyroundtable.org or at 202-822-8333.

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September 21, 2011
The Honorable Max Baucus
United States Senate
511 Hart Senate Office Building
Washington, DC 20510-2602
cc: Members of the Joint Select Committee on Deficit Reduction

Dear Chairman Baucus,

As a coalition representing a broad cross-section of nonprofit organizations across the country, we urge you to protect the value of the charitable deduction by opposing efforts to reduce or cap the value of itemized deductions for charitable contributions as part of the President's American Jobs Act. Proposals to cap itemized deductions at 28 percent would have long-lasting negative consequences for the charitable organizations that millions of Americans rely on for vital programs and services.

The charitable deduction is different than other provisions in the tax code in that it encourages individuals to give away a portion of their income to those in need. During his speech introducing the American Jobs Act, President Obama said, we are "a nation with responsibilities to ourselves and with responsibilities with one another." This notion is the embodiment of American philanthropy. To limit the charitable deduction would be to limit our spirit of philanthropy in a time where the demand for charitable services is at its peak, and would adversely affect the less fortunate in our society in deep and direct ways.

The past few years have been incredibly challenging for our nation's charities. According to the Internal Revenue Service, charitable giving by American donors who itemize their tax returns dropped by about 20 percent from 2007 through 2009. Although the Giving USA Foundation and its research partner, the Center on Philanthropy at Indiana University, found that "giving by individuals rose an estimated 2.7 percent in 2010 (1.1 percent adjusted for inflation)," these modest gains will do little to offset the low levels of giving during previous years. In fact, it is estimated that it will take five to six years for giving to return to its pre-recession levels. And with questions surrounding the economy again, we cannot assume that charitable giving will continue to rise.

It is true that high-income earners are more sensitive to changes in tax incentives. Given this sensitivity, reducing the charitable deduction for higher income earners will negatively impact the amount these donors give to charitable organizations. And indeed higher income taxpayers account for the majority of individual giving. According to the recent CBO report on the tax treatment of charitable giving, tax filers who reported AGI of at least \$100,000 in 2008 were responsible for well over half (about 58 percent) of all charitable giving by taxpayers. And yet in the face of such tough financial conditions, charities continue to do more with less. When the economy stagnates, charities bridge the gap by serving those in need and our communities as budgetary constraints hinder state and federal governments from providing similar services. These charity-provided services are critical, and reducing charitable giving does not just harm the nonprofit sector, it also hurts the lowest income brackets that rely heavily upon these services. Despite how the proposal looks on paper, wealthy Americans will not bear the brunt of a cap or reduction in the value of itemized deductions—America's poor will.

As charities struggle to meet increased demands for their services and raise additional funds, we need to encourage all individuals, regardless of income and wealth, to give more to charitable organizations. Therefore, now is not the time to diminish incentives to give. In fact, data suggests that for every dollar a donor gets in tax relief for his or her donation, the public typically gets three dollars of benefit. Reducing the value of the

charitable deduction does the exact opposite and would fundamentally change a tax structure that has contributed to a cherished tradition of charitable giving that is unmatched in the world. Again, we urge you to oppose efforts to reduce or cap the value of itemized deductions for charitable contributions. We look forward to working with you and on any other issues affecting the charitable sector.

Sincerely,



Neal Denton
Senior Vice President
Government Relations and
Strategic Partnerships
American Red Cross



John Ashmen
President and CEO
Association of Gospel Rescue Missions



Steven S. Taylor
Vice President & Counsel for Public Policy
United Way World Wide



Adam Meyerson
President
The Philanthropy Roundtable



Jeffrey Clarke
Interim President and CEO
Council on Foundations



Dan Busby
President
Evangelical Council for Financial
Accountability



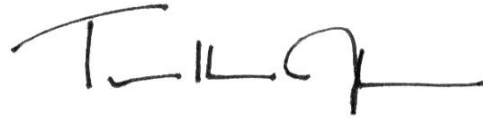
William C. McGinly, Ph.D., CAE
President, Chief Executive Officer
Association for Healthcare Philanthropy



John Lippincott
President
Council for Advancement and Support of
Education



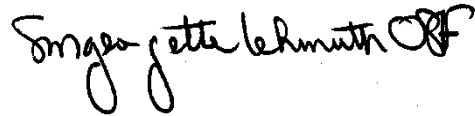
John H. Graham IV, CAE
President and CEO
American Society of Association
Executives



Tanya Howe Johnson
President and CEO
Partnership for Philanthropic Planning



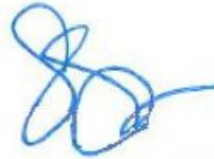
William C. Daroff
Vice President for Public Policy & Director
of the Washington Office
Jewish Federations of North America



Sr. Georgette Lehmutz, OSF
President and CEO
National Catholic Development Conference



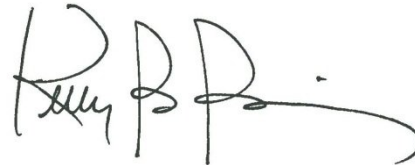
Mike Novak
President and CEO
Education Media Foundation



Sandra Swirski
Executive Director
Alliance for Charitable Reform



Jesse Rosen
President and CEO
League of American Orchestras



Kelly Browning
Executive Vice President & Chief Operating
Officer
American Institute for Cancer Research



Senny Boone, Esq.
SVP, Corporate and Social Responsibility
DMA & DMA Nonprofit Federation



Andrew Watt
President & CEO
Association of Fundraising Professionals

A handwritten signature in black ink, appearing to read "Ford W. Bell". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Ford W. Bell
President
American Association of Museums

cc: Members of the Joint Select Committee
on Deficit Reduction



INDEPENDENT SECTOR
A vital voice for us all

July 15, 2011

The President
The White House
Washington, DC 20500

Dear Mr. President:

We, the undersigned, write to express our concerns about the impact of proposed deficit reduction solutions currently under your consideration. We lead nonprofit organizations whose tens of millions of employees and volunteers are working to improve lives in every community across America.

We are troubled that the mix of domestic discretionary spending cuts and changes to entitlement programs now under consideration could undermine the social safety net and cause added hardship for low-income families. We urge you to avoid cuts in programs that help meet basic needs and provide educational and employment opportunities. Increased poverty must not be an unintended consequence of reducing the deficit.

We also want to voice our objection to the proposed cap on the value of the charitable deduction for certain taxpayers, which is projected to cost America's charities and the people we serve as much as \$7 billion a year. Just since 2008 we have seen charitable giving decline by \$25 billion as Americans struggle to navigate a difficult economy. Federal and state budget cuts have further overburdened and diminished the capacity of nonprofits and disproportionately affected those least able to help themselves. It is simply untenable to ask that they also endure the inevitable reductions in nonprofit programs and services that will be driven by a cap on the charitable deduction.

We understand the desire to make the tax code more equitable, but this proposal does not further that goal. Unlike other deductions, which subsidize personal spending that benefits the individual taxpayer, the charitable deduction actually encourages taxpayers to forego income in order to benefit our communities. The tax deduction for charitable giving is not a path to amassing greater personal wealth or accumulating tangible personal assets.

Not only is the charitable deduction fair, it is an efficient way for the government to spur investment in communities. When an individual in the highest tax bracket donates \$1,000 to charity, the government foregoes \$350 in tax revenue, but communities benefit from the entire \$1,000 gift. The government is unlikely to find another vehicle that can leverage private spending for community services on a nearly 3-to-1 ratio.

As you work toward reducing the annual budget deficit, we urge you to protect programs that assist people with low incomes and preserve the charitable deduction's powerful incentive for giving. Taken together, these steps will help ensure that basic human needs are being met in communities across our United States of America.

Thank you for your leadership and your consideration of these vital issues.

Respectfully,

Diana Aviv
President and CEO
Independent Sector

Eileen Coogan Boyle
President and CEO
Allegany Franciscan Ministries

Melany Brown
President
Alliance of Nonprofits

John W. Walsh
President
Alpha-I Foundation

Jane Gilbert
President and CEO
The ALS Association

Ford W. Bell
President
**American Association of
Museums**

Virginia T. Ladd
President
**American Autoimmune Related
Diseases Association**

John R. Seffrin
Chief Executive Officer
American Cancer Society

Joseph J. Annotti
President and CEO
American Fraternal Alliance

Nancy Brown
Chief Executive Officer
American Heart Association

Rick Williams
President
American Indian College Fund

Joanne Hubbard Cossa
President and CEO
American Music Center

Jon R. McTaggart
President and CEO
American Public Media

Gail McGovern
President and CEO
American Red Cross

Robert L. Lynch
President and CEO
Americans for the Arts

Marguerite W. Kondracke
President and CEO
America's Promise Alliance

John H. Klippel
President and CEO
Arthritis Foundation

John H. Graham IV
President and CEO
**ASAE: The Center for
Association Leadership**

William C. McGinly
President and CEO
**Association for Healthcare
Philanthropy**

Christine Anagnos
Executive Director
**Association of Art Museum
Directors**

Jim Copenhaver
Interim President and CEO
**Association of Performing Arts
Presenters**

Art Taylor
President and CEO
BBB Wise Giving Alliance

Karen Mathis
President and CEO
**Big Brothers Big Sisters of
America**

Linda C. Crompton
President and CEO
BoardSource

Kenneth M. Larsen
Public Policy Director
**California Association of
Nonprofits**

Cathy Tisdale
President and CEO
Camp Fire USA

Daniella Levine
Founder, President and CEO
Catalyst Miami

Rev. Larry Snyder
President
Catholic Charities USA

Glen O'Gilvie
Chief Executive Officer
**Center for Nonprofit
Advancement**

Dave Somers
Executive Director
Center for Nonprofit Excellence

Linda M. Czipo
Executive Director
Center for Non-Profits (NJ)

Ken Berger
President and CEO
Charity Navigator

Ann Meier Baker
President and CEO
Chorus America

Marc Freedman
Founder and CEO
Civic Ventures

Douglas Evans
President
Classical South Florida

Renny Fagan
President and CEO
Colorado Nonprofit Association

Doug Kridler
President and CEO
The Columbus Foundation

Bruce Trachtenberg
Executive Director
**The Communications Network,
Inc.**

Paul Vandeventer
President and CEO
Community Partners

Ron Cretaro
Executive Director
**Connecticut Association of
Nonprofits**

Robert S. Collier
President and CEO
Council of Michigan Foundations

Steve Gunderson
President and CEO
Council on Foundations

Lynn D. W. Luckow
President and CEO
Craigslist Foundation

Robert J. Beall
President and CEO
Cystic Fibrosis Foundation

Amy Fitterer
Executive Director
Dance/USA

Senny Boone
Senior Vice President, Corporate
and Social Responsibility
DMA Nonprofit Federation

Valerie S. Lies
President and CEO
Donors Forum

James E. Williams
President and CEO
Easter Seals

Vicki B. Escarra
President and CEO
Feeding America

Adam Huttler
Founder and Executive Director
Fractured Atlas

Kathy Cloninger
Chief Executive Officer
Girl Scouts of the USA

Robert G. Ottenhoff
President and CEO
GuideStar USA, Inc.

Jonathan Reckford
President and CEO
**Habitat for Humanity
International**

Kelvin H. Taketa
President and CEO
Hawai'i Community Foundation

Diana Aviv
President and CEO
Independent Sector

Douglas Rutzen
President and CEO
**International Center for Not-for-
Profit Law**

Shirley McGreal
Founder and Chairwomen
**International Primate Protection
League**

Willard L. Boyd
Founder and Chair
Iowa Nonprofit Resource Center

Jay Spector
President and CEO
JEVS Human Services

Jerry Silverman
President and CEO
**Jewish Federations of North
America**

Ralph B. Everett
President and CEO
**Joint Center for Political and
Economic Studies**

Darell Hammond
Co-Founder and CEO
KaBOOM! Inc.

Bill Bro
Chief Executive Officer
Kidney Cancer Association

Rand Wentworth
President
Land Trust Alliance

Jesse Rosen
President and CEO
League of American Orchestras

Sandra C. Raymond
President and CEO
**Lupus Foundation of America,
Inc.**

Darryl A. Jones, Sr.
President and CEO
Maryland Nonprofits

Kathleen Wiedemer
Executive Director
**Mesothelioma Applied Research
Foundation**

Renee Miller Zientek
Executive Director
Michigan Campus Compact

Kyle Caldwell
President and CEO
Michigan Nonprofit Association

Jon Pratt
Executive Director
Minnesota Council of Nonprofits

Tim Roesler
Senior Vice President and
General Manager
Minnesota Public Radio

J.D. Hoye
President
National Academy Foundation

Christine Takada
President and CEO
**National Asian Pacific Center on
Aging**

Linda Juszcak
Executive Director
**National Assembly on School-
Based Health Care**

Benjamin Todd Jealous
President and CEO
**National Association for the
Advancement of Colored People
(NAACP)**

Maria Lopez De Leon
Executive Director
**National Association of Latino
Arts and Culture**

Sister Georgette Lehmuth
President and CEO
**National Catholic Development
Conference, Inc.**

Rev. Dr. Michael Kinnamon
General Secretary
**National Council of Churches
USA**

Janet Murguía
President and CEO
**National Council of La Raza
(NCLR)**

Tim Delaney
President and CEO
National Council of Nonprofits

James P. Firman
President and CEO
National Council on Aging

Myrl Weinberg
President
National Health Council

Irv Katz
President and CEO
**National Human Services
Assembly**

Joyce Nelson
President and CEO
**National Multiple Sclerosis
Society**

MK Wegmann
President and CEO
National Performance Network

Randy Beranek
President and CEO
National Psoriasis Foundation

Paula Gavin
President
National Urban Fellows

Mark Tercek
President and CEO
The Nature Conservancy

Bill Strathmann
Chief Executive Officer
Network for Good

Diana Mao
President and Co-founder
Nomi Network

Michael Cruz
President
Nonprofit Leadership Alliance

Jeanne Kojis
Executive Director
**Nonprofit Network SW
Washington**

Hope Gleicher
Acting Executive Director
**Nonprofit Roundtable of Greater
Washington**

Jane C. Kendall
President
**North Carolina Center for
Nonprofits**

Vikki N. Spruill
President and CEO
Ocean Conservancy

Jennifer L. Campbell Williams
Executive Director
**Ohio Association of Nonprofit
Organizations**

Elizabeth M. Darling
President and CEO
OneStar Foundation

Marc A. Scorca
President and CEO
OPERA America

Joseph M. Geiger
Executive Director
**Pennsylvania Association of
Nonprofit Organizations**

Roche Schulfer
Board Chair
Performing Arts Alliance

Michelle Nunn
Chief Executive Officer
Points of Light Institute

Gregory L. Brown
Executive Director
PolicyBridge, Inc.

Hugh Parry
President and CEO
Prevent Blindness America

Paul Schmitz
President and CEO
Public Allies, Inc.

Wendy Puriefoy
President
Public Education Network

Gary A. Officer
President and CEO
Rebuilding Together

William A. Roberts
National Commander
The Salvation Army

Mark J. Dobosz
President
The SCORE Foundation

Zach Maurin
Executive Director
ServeNext.org

Peter Martin
Executive Director
The Sierra Club Foundation

Steven Taylor
Chief Executive Officer
Sjogren's Syndrome Foundation

Madeleine McGee
President
**South Carolina Association of
Nonprofit Organizations**

Bill Davis
President and CEO
Southern California Public Radio

Peggy Conlon
President and CEO
The Advertising Council

Teresa Eyring
Executive Director
Theatre Communications Group

Melissa L. Bradley
Chief Executive Officer
Tides

Ann Schodde
President and CEO
**U.S. Center for Citizen
Diplomacy**

Jan H. Ridgely
Executive Director
United Charitable Programs

Brian A. Gallagher
President and CEO
United Way Worldwide

Stephen Bennett
President and CEO
United Cerebral Palsy

Roxann Mayros
Chief Executive Officer
VisionServe Alliance

Diana Algra-Rodriguez
Executive Director
Volunteer Centers of Michigan

Greg Baldwin
President
VolunteerMatch

Michael King
President and CEO
Volunteers of America

Neil J. Nicoll
President and CEO
YMCA of the USA

Trish Tchume
Chair
**Young Nonprofit Professionals
Network, National**

Fly In/Speak Out: Preserve Charitable Giving

Charitable Giving, By the Numbers

9.2 million American Families in Poverty; Giving to Charity Declined by 20%

- Now is not the time to lessen the incentive to give. According to the 2010 census, the number of Americans living below poverty level has risen by 2.6% since 2007, generating tremendous demand for charitable services.
- At the same time, charitable giving dropped by about 20% from 2007 to 2009 by donors who use the charitable deduction. (According to the IRS)

\$290 Billion Donated in 2010

- Despite the decline in giving over previous years, donors still gave \$290 billion in 2010.
- Philanthropy is an independent, innovative investment in improving our communities.
- The charitable deduction is a unique incentive. It encourages individuals to give away a portion of their income without personal gain. This makes it different from other tax incentives.
- Philanthropy uses private resources for the public good. Its independence allows it to affect change in diverse ways.

About a 3:1 Ratio

- For every one dollar given to charity, the donor's tax benefit is about 30 cents.
- While the donor receives some tax benefit for donations, the biggest benefit goes to the charity and those who are served.
- The President's plan will hit those who rely on charities much more than it will hit the wealthy.

\$4 billion Every Year – the Amount Giving Would Drop if the President's Proposal to Cut the Charitable Deduction Were Enacted

- In 2009, The Center on Philanthropy at Indiana University estimated that capping the charitable deduction at 28% -- the President's proposal -- would reduce giving by \$4 billion each year.
- Four billion dollars is more than the annual operating budgets of the American Cancer Society, World Vision, St. Jude Children's Research Hospital, Habitat for Humanity, and the American Heart Association combined.
- This reduction in giving and drastically decreased federal funding due to deep spending cuts, would substantially hinder charitable service programs throughout the country.

Keep the Charitable Deduction Intact



The Philanthropic Collaborative

1455 Pennsylvania Avenue, NW Suite 400
Washington, DC 20004
202.349.2910

FAST FACTS ABOUT FOUNDATIONS

Last year, foundations contributed over \$42 billion in grants to a wide range of causes, with four out of five dollars coming from private and community foundations.

CREATING JOBS AND BUILDING COMMUNITIES

Creating Jobs and Building Communities, TPC's latest study, demonstrates both how private and community foundations support job creation and related programs, and their role as laboratories of innovation for addressing our country's unemployment issues.

SIGNIFICANT CONTRIBUTORS TO OUR ECONOMY

TPC's first study, *The Social and Economic Value of Private and Community Foundations*, found that **each dollar (\$1)** of foundation grantmaking produces **over eight dollars (\$8)** in direct economic benefits to our communities, supporting millions of jobs in the nonprofit sector.

CARING FOR AMERICANS MOST IN NEED

Broad Benefits: Health-Related Giving by Private and Community Foundations, TPC's second study, found that **68 percent** of health-related grant dollars were directed to those most in need: **the poor, minorities and other traditionally underserved populations.**

RESPONDING IN TIMES OF CRISIS

TPC's third study, *Responding in Crisis*, found that even as the current financial crisis drained their assets, foundations' grants were quick, flexible and followed local needs, targeting the states suffering from the worst unemployment and highest mortgage delinquency rates.

TRANSPARENT AND COMPLIANT

Private and community foundations operate with a high level of transparency and within established regulatory parameters. Every year they pay out a minimum of 5% of their assets, and file returns with the federal government that provide the amount and beneficiaries of each individual grant they have made. They also report on the compensation of their staff, the composition of their boards of directors and provide details on their investment portfolios.

BROUGHT TO YOU BY AMERICA'S FOUNDATIONS:

- ✓ The 911 system - *Robert Wood Johnson Foundation*
- ✓ Hospice Movement - *Van Ameringen and Ittleson Foundations, Commonwealth Fund*
- ✓ Public Libraries - *Carnegie Foundation*
- ✓ Rocket Science - *Guggenheim Foundation*
- ✓ White Lines on Highways - *Dorr Foundation*
- ✓ Sesame Street - *Carnegie Foundation*
- ✓ Creation of the Hale telescope - *Rockefeller Foundation*

TPC: Highlighting Philanthropy's Vital Role in the Economy



Alliance for Charitable Reform

Philanthropy enriches our nation and shows a diverse commitment to our communities. This rich and unique culture of giving must be protected. The Alliance for Charitable Reform (ACR) is a project of The Philanthropy Roundtable that works to preserve the rights and principles of private giving by educating legislators and policymakers on the contributions of philanthropy, engagement of others interested in our issues and communicating our message in both Washington, D.C., and the states. We challenge proposals that would diminish charitable giving, limit the broad spectrum of charitable causes to which Americans give, or place unwarranted constraints or regulations on philanthropic organizations.

Our Mission

To promote the rights of donors and private foundations to choose how and where to spend their charitable assets and to defend against any initiative that seeks to use the legislative or political process to weaken that right to choose.

Our Objectives

- Identify ways to preserve and expand America's standing as the most generous and charitable nation by promoting the importance of voluntary, participatory, and active giving.
- Safeguard the freedom of donors and private foundations to carry out their diverse charitable missions, and preserve their distinctive contributions.
- Promote common-sense laws and regulations that encourage charitable giving and impose strict penalties on violators.

To learn more about the Alliance for Charitable Reform or to sign up for our newsletter, please visit www.acreform.com or email our information desk at info@acreform.com.