



**Testimony of Tim Delaney, on behalf of the
National Council of Nonprofits**

**Before the
House Committee on Ways and Means
Hearing on Tax Reform and Charitable Contributions**

February 14, 2013

Chairman Camp, Ranking Member Levin, and members of the Committee, I appreciate the opportunity to present the views of the National Council of Nonprofits on the importance of the charitable giving incentive in the context of federal tax reform. My testimony today addresses how the charitable giving incentive supports the work that charitable nonprofits accomplish every day in every community across America, provides an analysis of the context in which nonprofits are operating today, and demonstrates that charitable nonprofits of all sizes and in all subsectors rely on the support of the public through the giving incentive to address public needs that government cannot or will not attempt to address.¹ My perspective is informed by the front-line experiences of Americans working in local, community-based charitable nonprofit organizations from coast to coast and border to border who have provided real-world context for this fundamental point:

Without support from the public through giving, charities will not be able to continue picking up the pieces and addressing needs in communities suffering from economic hardships, natural disasters, and policy decisions at the local, state, and federal levels that have shifted increasing burdens on the backs of charitable nonprofits. Any reconsideration of charitable giving incentives in the Internal Revenue Code must begin with recognition of the increasing need to enhance, rather than limit, the ability of nonprofit organizations to serve those most in need and strengthen our communities.

Communities Rely on the Work of Charitable Nonprofits

The work of charitable nonprofit organizations (“nonprofits”) throughout the United States improves lives, strengthens communities and the economy, and lightens the burdens of government, taxpayers, and society as a whole. Your constituents recognize the vital and ongoing work of nonprofit organizations in delivering essential services, enhancing their quality of life, and uplifting the spirit of faith, innovation, and inspiration in local communities across America. Indeed, the incredible diversity of nonprofits touches and benefits Americans virtually every day of their lives, truly from cradle to grave.

¹ I will defer comment on various theories and proposals for altering the current charitable deduction that might be advanced during the hearing until after we have had the opportunity to evaluate the real-world impact of those proposals on the ability of community-based organizations to pursue their missions and address local needs.

For the past several years, the network of the National Council of Nonprofits has been informing the public and the nonprofit community about the potential impact of spending and tax changes that would affect the ability of charitable nonprofits to pursue their missions. Over this time period, we have received hundreds of concerned comments – mostly spontaneous– that demonstrate reality and dispel many misconceptions about the charitable giving incentive. Below are just four of these heart-felt comments from front-line charitable nonprofits:

“Ele’s Place, a healing center for grieving children in Lansing and Ann Arbor, Michigan, supports hundreds of grieving families each year who are coping with the death of a parent, sibling or other loved one. Most of our donors are motivated not only by our mission, but by the tax-incentive. We strongly urge you to protect the charitable giving tax incentive. Any changes would have a devastating impact on donations to our organization and our ability to continue serving the grieving children in our communities.” – Ele’s Place, Lansing, MI

“With dollars declining from government, foundations and corporations, our nonprofit depends on individuals' generosity to ensure we can protect abused women and children with shelter and other services that create contributing members to a healthy community.” – SafeHaven of Tarrant County, Hurst, TX

“Do not take away our ability to effectively raise resources and then expect us to fill the social service holes you create with program cuts!” – Casa of Menominee County, Menominee, MI

“Desert Manna is the only social services nonprofit in our area and we provide food, shelter, and utilities assistance to homeless and low-income men, women, and children - over 55,000 services a year. Since 2008 when the current economic downturn began, we have seen a 400 percent increase in the number of households in our community needing food assistance and a 200 percent increase in the number of homeless families. At the same time, government funding has dried up on the County and State level. A large part of our income, 25 percent or more, is from individuals, organizations, and businesses that rely on the tax deduction to decrease their tax liability. Without this tax deduction, many of them would no longer donate to Desert Manna.” – Desert Manna, Barstow, CA

These statements and the scores of quotes attached in the Appendix represent a small sampling of voices we have heard from grassroots nonprofits in every state. These voices of real people describe how the public – and governments at all levels that increasingly force private charities effectively to subsidize government – rely on charitable giving to meet their communities’ continually growing needs. These are not words from the wealthy saying protect their tax breaks. Nor are they words from elite institutions saying they want big gifts with naming rights. These are words from regular Americans in local neighborhoods from across the country who are trying desperately to raise essential resources required to meet growing needs in their local communities.

No meaningful public policy discussion regarding the invaluable role of the charitable giving incentive in the Federal Tax Code can occur without first examining the broad context of community needs and dispelling common myths so policymakers can make informed decisions. So my testimony covers both.

The Broad Context of Community Needs Being Addressed by Charitable Nonprofits

The public depends on the charitable sector to provide a reliable social safety net and deliver a wide range of other services that are vital to the cultural, economic, spiritual, and environmental well-being of our citizenry and communities. Yet the unprecedented stresses from the Great Recession and governmental reactions to it threaten the health of the charitable sector and its ability to provide the safety net upon which the public and, indeed, governments rely.

Charitable Nonprofits Face Grim Economic Realities: As a result of those unprecedented stresses, charitable nonprofits are severely depleted from serving so many more, for so much longer, with so much less. Consider these ever-increasing surges in the workloads of nonprofits, year after year:

- in 2008, 73 percent of nonprofits experienced an increase in demand for their services;
- in 2009, 71 percent had an increase;
- in 2010, 77 percent reported an increase; and
- in 2011, 85 percent of nonprofits saw an increase in the demand for their services.²

These skyrocketing demands have been coupled with plummeting resources: “Payments from government agencies dropped, donations from individuals, corporations, and private foundations shrank, and investment returns and fee income fell.”³ As a result of this mismatch between demand and resources, in 2012 more than half of nonprofits surveyed (57%) had only three months or less cash-on-hand.⁴ From 2000 to 2010, demand for services was so high that sector-wide “the gap

² See [2012 State of the Sector Survey](#), Nonprofit Finance Fund.

³ Elizabeth T. Boris, Erwin de Leon, Katie L. Roeger, Milena Nikolova, [Human Service Nonprofits and Government Collaboration: Findings from the 2010 National Survey of Nonprofit Government Contracting and Grants](#), Urban Institute Center on Nonprofits and Philanthropy (Oct. 2010). Individuals – who provide about 10 percent of the sector’s overall revenue via donations – have given less during the economic downturn. “In constant dollars, itemizers’ charitable deductions dropped 14 percent from 2007 to 2008 and by another 8 percent from 2008 to 2009.” *Id.* Unfortunately, the prospects for improvements in individual giving remain dim, with 2013 predicted to be “one of the worst fundraising years in five decades” because stocks are “likely to tumble, the unemployment rate will remain stubbornly high, health-insurance costs will surge, and the 2-percent payroll-tax increase that took effect in 2013 will make people stingier.” Raymund Flandez, [“Giving Will Barely Rise in 2013. Forecast Predicts,”](#) *Chronicle of Philanthropy* (Jan. 25, 2013); see also Reuters, [“U.S. payroll tax hike seen hurting charitable giving: survey”](#) (Jan. 31, 2013) (“Charities that rely on donations from individuals should brace for lean times, with the U.S. payroll tax increase expected to curtail Americans’ generosity, according to a poll released on Thursday. One in five people questioned for the survey said they would reduce their charitable giving by an average of 29 percent because of the 2 percentage point tax increase, to 6.2 percent.”).

⁴ See [2012 State of the Sector Survey](#), Nonprofit Finance Fund; see also [Oregon Nonprofit Sector Report 2011](#) (57% of nonprofits reported not having three months of operating reserves and 24% reported having less than one month of operating reserves).

between income and expenditures ... was negative for 8 of the 10 years.”⁵ This fragile condition presents a danger for Americans because the social safety net which governments and the public depend on charitable nonprofits to provide is unraveling rapidly.

Governments Are Shifting Increasing Burdens onto Charitable Nonprofits: Governments and charitable nonprofits serve the same constituents and same communities. The two sectors’ shared interests – serving and protecting the public – are inextricably intertwined, albeit from purposefully different roles, perspectives, and approaches. Yet during the last few years governments at all levels have been compounding the stress on the nonprofit community and threatening the viability of organizations that exist to serve the public good, reduce the burden of government, and enhance the quality of life in our cities and towns. As I recently outlined at a national convening at Columbia Law School’s National State Attorneys General Program,⁶ at least five hidden-in-plain-sight trends highlight how individuals and local communities are endangered by governments:

1. Abusing nonprofits in the contracting context, hurting program recipients and taxpayers in the process;⁷
2. Directly taking money away from nonprofit missions through the imposition of new taxes and fees, and demands for payments in lieu of taxes;⁸
3. Indirectly taking nonprofit resources by improperly invading boardrooms of private nonprofits, which under controlling Supreme Court precedence are independent entities;⁹

⁵ See *The Nonprofit Almanac 2012*, Urban Institute’s National Center for Charitable Statistics (2012); see also [State of the Sector Report](#), Nonprofit Center of Northeast Florida (Fall 2012) (“Since 2007, the percentage of nonprofits operating in the red has risen, reaching 45% in 2009, the highest since this research began, indicating the gravity of the recession’s impact”); [New Jersey Non-Profits 2012 Trends and Outlook](#), Center for Non-Profits (April 2012) (“Amid widespread reports of increased demand for programs and services, 40% of responding organizations reported spending more money than they took in during their most recent fiscal year”); [Oregon Nonprofit Sector Report 2011](#) (in 2010, expenses for Oregon-based public charities “increased by nearly one billion dollars, while revenue remained flat. The increased expenses were entirely program related. Management costs actually declined.”).

⁶ Tim Delaney, “Advocacy by Charitable Nonprofits: Flipping the Accountability Lens to Focus on Government Actions” (preliminary draft paper presented at “Charity Regulation Policy Conference,” February 7, 2013, conducted by Columbia Law School’s National State Attorneys General Program).

⁷ See National Council of Nonprofits, [“Costs, Complexification, and Crisis: Government’s Human Services Contracting ‘System’ Hurts Everyone”](#) (Oct. 7, 2010) (explaining how the contracting problems affect everyone in America – including individuals entitled to receive services, taxpayers who pay too much for red tape, and the broader community; and proposing solutions that nonprofits, government officials, funders, and citizens can adopt to improve services, restore value for taxpayers, and strengthen communities); see also [www.GovtContracting.org](#).

⁸ See “Taxes, Fees, and PILOTs”: <http://www.councilofnonprofits.org/public-policy/state-policy-issues/government-taxes-fees-and-pilots>; see also Rick Cohen, [“Sewage Fee or Toilet Tax?”](#) *Nonprofit Quarterly* (Nov. 3, 2010) (“Here’s an intriguingly blatant attempt to impose taxes on tax exempt organizations” in New York); Editorial, [Scranton Times-Tribune](#) (Oct. 5, 2012) (calling the Scranton City Council’s “opposition to any zoning variance sought by any nonprofit entity” not making voluntary tax payments “an unconstitutional and self-destructive response” to the tax exemption issue); Jean Hopfensperger, [“Cities ask tax-exempt groups to pay for services,”](#) *Minneapolis Star-Tribune* (Jan. 27, 2013).

⁹ Under well-established American law, charitable nonprofits are private, independent corporations. Yet in recent years, lawmakers in [Florida](#), [Georgia](#), [Kansas](#), [Massachusetts](#), [Michigan](#), [Nevada](#), [New Hampshire](#), [North Carolina](#), [Utah](#), and elsewhere have sought to impose ineffective and burdensome mandates, restrictions, and other reporting burdens on the apparent misunderstanding that private nonprofit organizations are somehow

4. Abandoning commitments to the public as they eliminate programs and slash funds, expecting charitable nonprofits and foundations to fill the voids governments create;¹⁰ and
5. Draining the philanthropic pool of dollars.¹¹

Governments at the federal, state, and local levels have been rapidly shifting significant financial burdens onto charitable nonprofits, including reducing funding without reducing the underlying human needs, thereby **increasing demands** on nonprofits in local communities while also **decreasing resources** for nonprofits to provide needed services. Indeed, the following direct observations from local charitable nonprofits across the country tell the real story:

- *“The charitable deduction provides critical private sector funding to JFCS that helps to offset losses from reduced government and corporate funding. The deduction incentivizes private donors to support basic human needs which are more critical than ever during this unprecedented economic downturn.”* – Jewish Family & Career Services of Atlanta, Inc., Atlanta, GA
- *“When government budgets for essential social services were cut, the answer was ‘the private sector’ will pick it up. Today nonprofit organizations (501(c)(3) under the tax code) provide the ONLY social services in our neighborhoods. Please don’t cut our budgets also. Continue to provide the incentive of tax credits for contributions to nonprofits.”* – Mercy Corps Northwest, Portland, OR
- *“Our agency’s government contracts have been cut by over \$200,000 this past year. The only way we can replace that money is through private grants and individual donations. Tax deductibility of those donations is crucial to making that system work. Find some other way to increase revenues.”* – Neighborhood Initiatives Development Corp, Bronx, NY

“quasi-governmental,” “government-sponsored,” “public bodies,” or “publicly supported” entities. If enacted, the proposals would have imposed excessive burdens, resulting in greater strain on the nonprofit entities and reduced effectiveness in dealing with community problems.

¹⁰ “Faced with the steepest and longest decline in tax collections on record, state, county and city governments have resorted to major life-changing cuts in core services like education, transportation and public safety that, not too long ago, would have been unthinkable.” Michael Cooper, [“Governments Go to Extremes as the Downturn Wears On,”](#) *New York Times* (Aug. 6, 2010) (“The length of the downturn means that many places have used up all their budget gimmicks, cut services, raised taxes, spent their stimulus money – and remained in the hole”); Editorial, [“The Looming Crisis in the States,”](#) *New York Times* (Dec. 25, 2010) (“School aid, Medicaid, transportation, employee salaries, social services, courts – whatever there was to cut, states have slashed it, often at ruinous costs to the most vulnerable: the poor, the sick and disabled, students, tens of thousands of laid-off workers”).

¹¹ An increasing number of states are overtly shifting their financial burdens off of government balance sheets and over to nonprofits to assume responsibility for programs and assets that they were unwilling to maintain. In Arizona, California, Kansas, New Jersey, Ohio, and Virginia, to name only a few, public officials to save money abandoned operations for the arts, economic development, education, parks, and public museums. See, e.g., Kevin Sieff, [“Fairfax Schools Expand Their Philanthropy Bonds,”](#) *Washington Post* (Jan. 5, 2011) (“Crippled by a protracted budget crunch, Fairfax County’s school system has ... establish[ed] a second education foundation to attract donations. ... School districts across the country increasingly have turned to the private sector to cover budget shortfalls or pay for new programs”); Rita Price, [“Disabled’s legal-rights agency to go nonprofit,”](#) *Columbus Dispatch* (Aug. 11, 2012) (Ohio’s government-run legal rights agency for disabled individuals announced plans to convert from government to nonprofit).

Charitable nonprofits and their state associations are working every day to educate policymakers about the economic realities their communities are facing and providing input to prevent the adoption of policies that exacerbate the challenges that they are facing.¹² These realities are presented here to show that the charities in the communities of Committee members are struggling to pursue their missions but remain committed to solve problems – in partnership with government – for the common good.

Misdirection and Misconceptions about Who Benefits from Charitable Giving

In recent years, the debate over the charitable giving incentive has been misdirected (in our opinion) by equal parts esoteric tax policy and partisan class-consciousness. From the outside it appears that too many economic scholars ensconced high in ivory towers enjoy proposing competing theoretical forecasts without regard to the deep human need in local communities. Meanwhile, partisans appear to want to either protect or punish the wealthy, without focusing adequately on community needs, such as how to provide essential resources for services to people in need. The hungry child, shivering senior, and homeless veteran do not care what tax break a donor received so long as someone donated to the nonprofit that fed them their meal, paid for their heat, or provided them temporary shelter when they were in desperate need. Much of the federal debate has focused on the wrong end of the equation: the benefits or burdens on the donor. To date, there has been far too much rhetoric and not enough reality. Accordingly, I now share practical, real-world informed insights from front-line community nonprofits to break through conventional myths that are not rooted in the realities of your constituents.

Myth: Changes to the charitable giving incentive will have little to no impact on nonprofits or the communities they serve because the charitable deduction does not really motivate people to give more than they otherwise would.

- **Reality:** Congress has long recognized the incentive effect of favorable tax policy, as shown recently when temporarily lifting the annualized limit on charitable deductions and enacting other giving tax incentives to support relief efforts after Hurricanes Sandy, Katrina, and Rita, flooding in the American Midwest, the tsunami in Indonesia, and the earthquake in Haiti.
- **Reality:** More than 20 percent of online giving for the entire year occurs on December 30 and 31, demonstrating that tax incentives are on the minds of donors.¹³
- **Reality:** A 2012 national poll found that “without tax incentives for charitable contributions, 30 percent of Americans would reduce their giving levels.” Among “those who would reduce their giving, a majority (62%) indicate they would have to reduce their contributions by a

¹² See Delaney, “Advocacy by Charitable Nonprofits: Flipping the Accountability Lens to Focus on Government Actions” (note 6 above) (“in the vast majority of circumstances within these five large-scale trends, it appears that the problems flow not from malice or intent to harm the work of charitable nonprofits and thereby the public. Rather, the problems usually seem to flow from lack of knowledge: policymakers are either (a) unaware of how much the public and government depend on charitable nonprofits or (b) oblivious to the broader negative consequences of their actions.”).

¹³ [The Online Giving Study](#), Network for Good, and True Sense Marketing (2012).

significant amount. (26% would have to reduce their contributions by 50% or more; 36% would have to reduce their charitable giving between 25% - 50%.)”¹⁴

- Observation from a nonprofit shelter in Massachusetts: “If you believe that people give out of the goodness of their hearts, think again and come see the donations that we receive in December with ‘year-end tax donation’ written out on the check.”

Myth: The charitable giving incentive only benefits wealthy individuals and elite institutions.

- Reality: Among itemized deductions, the charitable incentive is the only one for which the donor is encouraged to give money away to help others and not receive a personal benefit. While the taxpayer gets a **partial** tax benefit (of 10 - 39.6 percent) for making a donation, the community gets the **entire** benefit of every dollar donated to charitable nonprofits. The community, more than the individual taxpayer, would suffer the greater adverse consequences of a cap, limit, or other restriction on the charitable giving incentive.
- Observation from a food bank in Montana: “The demand on our services has never been greater than today. Private nonprofits are feeding, housing, and healing those most in need in our community. To take away the tax deductions that make it possible for nonprofits like [our nonprofit] to exist would break these entities. Please don't throw the hungry and homeless under the bus in the process.”
- Observation from a church in New York: “Our outreach programs to the community and financial support for food pantries, housing for homeless persons, minority advocacy, and other programs would not continue without financial support from our members and the community; this would diminish dramatically if the deduction for charitable giving were to disappear.”
- Observation from a nonprofit serving the blind in Pennsylvania: “Our organization is 90% funded by charitable giving. Changing the charitable giving tax law would hurt our organization substantially. In the current economic time, individual giving has decreased. We can't afford any additional decrease in giving, if we are to sustain our programming.”
- Observation from a nonprofit school for disadvantaged youth in North Carolina: “We work with high school dropouts, young people that have fallen through every crack there is. There is a huge need - and our need is the ability to raise funds to keep going every day. The charitable deduction is essential to that fundraising. And since government is reducing their services to the poorest in our nation we nonprofits have to take on more. To do that we need the money to keep our doors open. Do not take away a very critical tool in our fundraising toolbox!”

Myth: It's time for everyone to do their fair share and absorb some pain to reduce the deficit, so charitable nonprofits need to suffer, too.

- Reality: The employees of charitable nonprofits already have paid more than their fair share as they have handled the skyrocketing demands with declining resources for nearly five years, helping communities by delivering more services while at the same time suffering

¹⁴ “The [Charitable Tax Deduction Poll](#) was conducted from November 9-20, 2012, by United Way Worldwide. Importantly, the survey also found that the “vast majority of Americans (79%) believe reducing or eliminating the charitable tax deduction would have a negative impact on charities and the people they serve.”

through cuts to their own employee benefits, hours, and even jobs.¹⁵ Importantly, when nonprofits “suffer” it really means that the community suffers through reduced levels of service.

- **Reality:** For charitable nonprofits that provide services on behalf of governments at all levels, research demonstrates that the service provider has already “given in the contract” many times over. Groundbreaking research from the Urban Institute demonstrates that governments consistently pay late on contracts, impose unnecessary and costly administrative burdens that waste nonprofit and taxpayer resources, and, most significantly, fail to pay the full cost of performing services under the contracts. The result is that nonprofits are forced to subsidize government by raising outside funds to cover costs that for-profit contractors are regularly paid. Sadly, it is usually the people dedicated to providing those services, the employees of charitable nonprofits, who are paying the price of budget cuts and economic stagnation.
- **Observation from a New York alcoholism and substance abuse facility:** “Nonprofits struggle all the time to provide programs to more and more recipients. In a weakened economy it has been difficult to fund raise and maintain a workable budget. If charitable deductions are cut, we will cease to exist.”

Myth: Curtailing charitable giving will have no effect on the economy.

- **Reality:** Every nonprofit that closes its doors places new strain on the economy. Nonprofit employees, who make up 10 percent of the American workforce, will join the unemployment rolls. For-profit and government employees who rely on nonprofits to care for their children or elderly relatives will have nowhere to turn. People who rely on nonprofits for job training and placement services will remain out of work. The public ultimately will turn to government to create bureaucracies to replace work that was accomplished more efficiently and effectively by charitable nonprofits, thus driving up costs for taxpayers.
- **Observation from a faith-based nonprofit in Michigan:** “If nonprofits are unable to function, what will Congress do to take care of all the needs that nonprofits currently do for low-income families? Additionally, our nonprofit creates revenue for local businesses through local purchases made that are donated to our programs. Without charitable tax incentives those local businesses will lose out as well. If Congress does not protect the charitable giving tax incentives there will be a ripple effect that will devastate our Nation at a time when we cannot afford to reduce the number of social service programs that meet basic human service needs.”

Based on the foregoing, it is clear that America’s charities are aggressively addressing the problems in our communities. The more than 25,000 nonprofits in our network request the respect and support of this Committee to maintain and enhance their ability to pursue their missions and provide measurable impact in our communities.

¹⁵ See, e.g., [Urban Institute Survey of Nonprofit-Government Contracting and Grants](#) (2010) (finding that 42 percent of human service nonprofits operated with a deficit in 2009, forcing human service nonprofits with government contracts/grants to take one or more actions, including freeze or reduce employee salaries (50%); reduce employees (38%); reduce health, retirement, or other staff benefits (23%); and, as last resort, reduce service (21%); see also *The Nonprofit Almanac 2012* (“Some organizations closed their doors during the recession; others cut staff, wages, or program activities to stay afloat”).

Conclusion: Charitable Donations Support the Public

The charitable nonprofit community is concerned about reports that Congress and the White House are looking at reducing the charitable giving incentive, which would effectively **take away incentives for donations** to churches and synagogues, domestic violence shelters, early childhood programs, education, food banks, youth and senior groups, and all other charitable nonprofits at a time when the deep need for public support for public charities to serve the public is at an all-time high.

We recognize that Congress is trying to determine the right balance of cutting federal spending, reforming tax laws, and altering entitlement programs. We also realize that even an unintended change could undermine the ability of nonprofits to maintain the current level of programs and services, much less to expand them to meet the increased needs as a result of the lagging economy and policy choices being made at all levels of government. Under these conditions, nonprofits may not merely be the next place for people in need to turn; we are likely their only place to turn. Charitable nonprofits across America must be able to count on the current tax incentives for charitable giving if there is to be any validity in the presumption of policymakers that nonprofit organizations will be there to fill the gaps. Congress should take action to **encourage charitable giving** rather than **discourage** individuals from giving to organizations that are making a real difference in our communities – thereby reducing the burdens on government as a result.

I close with the appeal to the Supercommittee that was made by more than 4,400 charitable nonprofits in 2011, a message that is as relevant today as it was then:

It is imperative that Congress make no changes to the charitable giving incentive that threaten the ability of nonprofit organizations to serve those most in need and to continue to strengthen our communities. We ask that you avoid endangering the ability of nonprofits to serve your constituents and our communities by making a clear statement in support of the charitable deduction and in opposition to proposals to reduce or cap the value of deductions for charitable contributions.

National Council of Nonprofits

The National Council of Nonprofits (Council of Nonprofits) is a trusted resource and advocate for America's charitable nonprofits. Through our powerful network of State Associations and 25,000-plus members – the nation's largest network of nonprofits – we serve as a central coordinator and mobilizer to help nonprofits achieve greater collective impact in local communities across the country. We identify emerging trends, share proven practices, and promote solutions that benefit charitable nonprofits and the communities they serve.

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Appendix

To the Testimony of Tim Delaney

National Council of Nonprofits

The following is a sampling of the hundreds of comments from charitable nonprofits grappling daily to meet the needs in their communities. These comments provide real-world context and give voice to the importance of the charitable giving incentive and how nonprofits impact the lives of constituents.

Arkansas

“Without charitable contributions to add to our GAC funds each year, we would not be able to supply our literacy students with the quality, free tutoring which they need.” *Prairie County Literacy County, DeValls Bluff, AR*



“In the past 3 years alone, we have placed over 1,000 Arkansans in employment, served almost 10,000, and created over 200 jobs – 96 percent of our budget comes from the sale of donated goods. In this economy, what the country needs is jobs and skills training; Goodwill has been doing this for over 100 years - WE TURN DONATIONS INTO JOBS! Please do not harm those that are working hard to solve the problems.” *Goodwill Industries of Arkansas, Little Rock, AR*



“I understand that our country is in a deficit and there is a huge need to cut spending. However, cutting spending in the nonprofit arena will only lead to a larger deficit. Nonprofits throughout this country save the government Millions of dollars through volunteer services that help a variety of social issues.” *Pulaski County CASA, Little Rock, AR*



“It does not make sense to build budget savings on those who are in need of help.” *Village Sisters, Little Rock, AR*



“We are a United Way agency and our employees are encouraged to give back to EAYS through payroll deduction with the double incentive of it being tax deductible. I know that our employees are not paid very high salaries so without this incentive we may see a decline in our agency

participation which all comes back to EAYS. Further, this will lower the amount of funds that we receive through United Way and also our Christmas donations could also be affected by the lost incentive to donors. When these types of donations disappear it lowers the level of service that we can provide and it eliminates any elasticity in our programs. Further, it isn't the “wealthy” who support our programs. It is strictly working class people and they should still receive this incentive.” *East Arkansas Youth Services, Inc., Marion, AR*



“We join the many nonprofits in supporting legislation that will allow deductions for those giving to charitable agencies. Only the nonprofit sector can serve their clients; government cannot provide the needed resources.” *Hot Springs Area Community Foundation, Hot Springs, AR*



“The past few years have been financially difficult for our nonprofit organization. Adaptations and priorities continually are addressed to maintain our programs; however, without preserving the charitable deduction, our organization may not see a future. Our organization's future is linked directly to contributions and financial support by local businesses and individuals who support our mission. However, we could be in jeopardy if we cannot preserve the charitable deduction.” *Batesville Area Arts Council, Batesville, AR*

California

“Desert Manna is the only social services nonprofit in our area and we provide food, shelter, and utilities assistance to homeless and low-income men, women, and children - over 55,000 services a year. Since 2008 when the current economic downturn began, we have seen

a 400 percent increase in the number of households in our community needing food assistance and a 200 percent increase in the number of homeless families. At the same time, government funding has dried up on the County and State level. A large part of our income, 25 percent or more, is from individuals, organizations, and businesses that rely on the tax deduction to decrease their tax liability. Without this tax deduction, many of them would no longer donate to Desert Manna." *Desert Manna*, Barstow, CA



"YMCA and other nonprofits cannot afford to do more with less. We are already have limited resources." *YMCA of Greater Whittier, Whittier, CA*



"It is important to retain the charitable tax credit for organizations who serve our most vulnerable but also for arts and education organizations as well. This is also a very important tax credit for the middle income wage earners in our country who have little they can do to control their tax burden." *HandsOn Central California, Fresno, CA*



"We have run a small stable on donations and volunteers ONLY! We give local youth a comprehensive mountain horsemanship program AT NO COST TO THEM. Many of our graduates go on to work in the horse industry and many more get their college money working summers as trail guides at rental stables in the Tahoe Basin. We have run continuously since 1988, on the last horse property in our area, preserving the skills and opportunities that come with those skills, as well as the stable itself. Without donations being tax deductible our program would be in grave danger. Please consider this in your decision making." *Tahoe Rim Riders 4-H Club, Kings Beach, CA*



"A change to the deduction for charitable donations will have a devastating impact on our organization--like most across the country--particularly given municipal funding cuts and earned revenues that have been pummeled by

the recession already." *San Jose Museum of Art, San Jose, CA*



"These losses will reduce our work in raising awareness on the dangers of driving under the influence, and can be very harmful to our cause of reducing and eliminating alcohol related crashes on our U.S. Highways." *Fathers Against Drunk Driving: FADD, Porterville, CA*



"This is the worst possible time to remove incentives for charitable giving. Already we nonprofit organizations are being asked to assume responsibility for local, state and federal support for those of our citizens who most need it, but are the "low hanging fruit" for budget cutters." *YMCA Camp Arbolado, Angelus Oaks, CA*

Connecticut

"Every day, donations from the public to EasterSeals Goodwill Industries Rehabilitation Center help people find good jobs. Especially at a time with such great unemployment and employers noticing a skills gap, Congress should seek to encourage everyone, regardless of income, to give more to charitable organizations." *EasterSeals Goodwill Industries Rehabilitation Center, New Haven, CT*



"While we understand the importance of finding ways to balance the federal budget, capping or eliminating the charitable tax deduction will reduce giving, therefore undermine a vital revenue source for nonprofit organizations. The Connecticut Council for Philanthropy found that individual residents donated almost \$3 billion to charities in 2010 and that Connecticut contributions are nearly 2% of the \$181.76 billion Americans gave to charitable causes. Since many nonprofit organizations' finances have been squeezed by the economy and state budget cuts, changes in the charitable tax deduction would force them to make devastating cuts to services ranging from aid to the poor, to workforce development, to artistic programs." *Connecticut Council for Philanthropy, Hartford, CT*

Florida

"In one year, Goodwill Industries-Suncoast provided job-training and community-based services to 66,841 individuals and placed over 10,000 people into jobs. These services were supported by more than 1 million donations. Removing the important incentive that exists for the general public to help support our mission will be hurtful to our agencies and the vulnerable populations that we have the privilege to serve." *Goodwill Industries-Suncoast, St. Petersburg, FL*



"Capping or cutting charitable giving incentives would harm Florida's tax-exempt charitable organizations; organizations that have been particularly hard hit in a state reeling from foreclosures and high unemployment. Despite declining revenues, nonprofits in Florida have valiantly met growing community needs despite diminished resources during our nation's recession and slow recovery. For ten years, the Nonprofit Center has tracked the fiscal health of nonprofits in northeast Florida; as of our latest data review, 41 percent of charitable service nonprofits ended their most recent fiscal year with a deficit. Increased demand, decreased donations, and deep government cuts have significantly eroded the nonprofit sector's capacity and reserves. Now is not the time to tinker with one of the Florida nonprofit sector's most important incentives for giving." *Nonprofit Center of Northeast Florida, Jacksonville, FL*

Georgia

"The charitable deduction provides critical private sector funding to JFCS that helps to offset losses from reduced government and corporate funding. The deduction incentivizes private donors to support basic human needs which are more critical than ever during this unprecedented economic downturn." *Jewish Family & Career Services of Atlanta, Inc., Atlanta, GA*



"In the past four years we have seen food distribution increase by 85% in the 29-county area we serve. This reflects an unprecedented increase in demand, but also a significant change in who needs our support. Our

partner agencies often tell us that they are serving record numbers of people who are seeking help for the first time in their lives. Here in Georgia, food insecurity has grown to levels that we could not have foreseen just a few years ago, especially among children. Over 28% of Georgia kids - more than one in every four - live in food insecure households. While we are working much more closely with the public sector and take great pride in that partnership, we worry that the traditional and long-time incentives for businesses and individuals to support our work are under attack. It seems quite ironic that at a time when government is cutting human service programs, they are also considering disincentives for the private sector to take up that work. We all know that cuts to public programs must be made, but please don't also make it more difficult for the private sector to respond." *Atlanta Community Food Bank, Atlanta, GA*



"Like most community-based nonprofits, Goodwill Industries of North Georgia relies on the generosity of our neighbors in order to support our mission. In this time of great unemployment and the need for skills training, more people are turning to Goodwill. We in turn are placing greater reliance on our donors in order to meet this increased need. Any limits placed on the charitable giving incentive will negatively impact nonprofits and the vulnerable populations we serve" *Goodwill Industries of North Georgia, Atlanta, GA*



"Habitat for Humanity relies on the generosity of its donors to provide the vast majority of the financial resources Habitat affiliates use to meet critical housing needs in thousands of neighborhoods around the country. At a time when demand for Habitat housing solutions has never been greater, Congress should preserve the charitable deduction, an effective catalyst for investment in Habitat and other nonprofit organizations that provide vital support to communities struggling to recover from the Great Recession." *Habitat for Humanity International, Americus, GA*



"CARE is providing long term development and emergency humanitarian assistance in more than 80 countries in the developing world, benefitting nearly 280 million people. The charitable deduction helps make that possible. I urge Members of Congress to weigh the costs of decreased private support to charitable organizations against the projected revenues that might come from the proposed decrease in charitable deductions." CARE USA, Atlanta, GA

Illinois

"We provide arts programs for children in the Chicago public schools. Most of our budget is donated from individuals – not millionaires but middle class people who want to help and can afford a small amount. They also can get a tax credit. Without these tax-deductible donations our services to under-privileged children will stop. Aren't poor children impacted enough?" *Ruth Page Center*, Chicago, Illinois



"A cap on itemized deductions would significantly cut donations to charities because fixed-cost deductions, such as for mortgage interest and state/local taxes, would consume the limit, leaving little or no room for discretionary donations to the work of charities." *Kidney Cancer Association*, Evanston, IL



"These cuts would surely impact all the programs we sponsor within the Roseland Community, including After School Matters, which engage teens in quality, life changing and learning opportunities; C.E.D.A., which provides links to help with utilities for low income families; and Planting Dreams, which shares both Urban and Rural Farming experiences." *God's Gang*, Chicago, IL



"The true beneficiaries of the charitable donation are not the generous Americans who make charitable gifts, but all citizens whose local communities, nation and world are made better through the work of charitable organizations.... For the sake of the economy, we need to encourage all individuals, regardless of income and wealth, to give more to charitable organizations. Eliminating or limiting 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 the world over." *Chicago Botanic Garden*, Glencoe, Illinois

Indiana

"The eleven member food banks of Feeding Indiana's Hungry solicit, receive, inventory, store and distribute donated food and grocery products across all 92 Indiana counties and rely on charitable donations to make this happen. Our member food banks distributed 73.7 million pounds of food in 2012, 79% of which came directly as a result of charitable donations of food or funds. Without charitable contributions to operate more than half a million square feet of warehouse, refrigeration, and freezer space, and fuel a fleet of more than 80 trucks, our member food banks wouldn't be able to serve the one in six Hoosiers at risk of hunger." *Feeding Indiana's Hungry, Inc.*, Indianapolis, IN



"Eliminating or reducing the charitable deduction would remove or decrease one of the major incentives of philanthropy and thus negatively impact people in our community who need our services the most. Our ability to be a responsive community organization is built on the charitable giving of our donor partners." *Monroe County YMCA*, Bloomington, IN

Kansas

"Our organization serves many and provides for many in our community and others. Most of our services would not be available if was not for nonprofits. We offer many outside services to our community that help educate and care. Please do not threaten to take this commitment away." *Midland Care Connection*, Topeka, KS



"Labette County Emergency Assistance Center is a non-profit, 501(c)(3) charity serving those in need throughout Labette County.... We are continuing to see more families and individuals, including the elderly, who have always been able to meet the needs of their families as well as help others, reach their limit and become a family in need. It is quite difficult to see this happen, but it is a reality at LCEAC every day. Requests for

assistance have risen greatly, met with less available funding due to cuts to the National Emergency Food and Shelter Program, fewer available grants for basic human needs and lower community donations due to unemployment and rising living expenses. Every time a cut is made at the state or federal level, more referrals are placed on charitable resources. We cannot continue at this level with the funding and resources available. LCEAC collaborates extensively throughout the community with all service and charitable organizations. Support services are critical to meeting the needs of our families and individuals." *Labette County Emergency Assistance Center, Parsons, KS*

Massachusetts

"Capping or otherwise limiting the charitable deduction would severely undermine the incentive it offers and thereby reduce charitable giving. Like many nonprofit organizations, Morgan Memorial Goodwill Industries relies on charitable donations to serve those most in need in the community; last year it provided job training and career services to nearly 9,000 Massachusetts residents with disabilities and other barriers to self-sufficiency. Demand for services is increasing at a time when government support is declining. Congress should be encouraging charitable giving to non-profit organizations, not discouraging it by limiting charitable deductions." *Morgan Memorial Goodwill Industries, Boston, MA*



"With the devastating cuts to human service budgets over the past couple years, and anticipating continued cuts, enacting a law which will reduce the incentive for charitable giving by the general population will compound the effects of those draconian budget cuts. Since the state and federal government no longer feels obligated to help those less fortunate, reducing the options for others to support those individuals makes no sense. If we in the human service field do not care for the disabled and disadvantaged, who will?" *Human Resources Unlimited, Springfield, MA*



"Poor children in Lawrence need the resources derived from charitable donations; please vote to support our children." *The Community Group, Lawrence, MA*



"The charitable giving incentive assures that we have the resources necessary to provide a basic quality of life for those we serve. Taking it away will jeopardize our ability to fundraise, which has been severely negatively impacted during the recession. We have lost 15% of fundraising revenue in the last 3 years already; loss of the incentive will continue to negatively affect how much we are able to fund raise." *LifeLinks, Lowell, MA*



"If you believe that people give out of the goodness of their hearts, think again and come see the donations that we get in December with 'year-end tax donation' written on the check. If you hurt nonprofits, you hurt the poor people they serve. For pity's sake, take a little more from the richer people who only miss it when they don't get a tax credit for it! Thank you." *Animal Umbrella, Inc., Acton, MA*



"Any weakening of the existing charitable deduction will undermine our ability to raise funds to assist the most vulnerable residents of our communities – Malden, Medford and Everett Massachusetts." *Tri-City Community Action Program, Inc., Malden, MA*



"This is vital to the capacity of a broad range of human service, social service, youth and child serving organizations and schools to meet the needs of individuals and families that are in greatest need in our country." *Spin USA, Inc., Lexington, MA*

Michigan

"Ele's Place, a healing center for grieving children in Lansing and Ann Arbor, Michigan, supports hundreds of grieving families each year who are coping with the death of a parent, sibling or other loved one. Most of our donors are motivated not only by our mission, but by the tax-incentive. We strongly urge you to protect the charitable giving

tax incentive. Any changes would have a devastating impact on donations to our organization and our ability to continue serving the grieving children in our communities." *Ele's Place*, Lansing, MI



"Do not take away our ability to effectively raise resources and then expect us to fill the social service holes you create with program cuts!" *Casa of Menominee County*, Menominee, MI



"Nonprofits work to keep our communities healthy and depend on the generosity of donors. We must keep charitable tax donations to ensure nonprofits are able to remain viable. If nonprofits are unable to function, what will Congress do to take care of all the needs that nonprofits currently do for low-income families? Additionally, our nonprofit creates revenue for local businesses through local purchases made that are donated to our programs. Without charitable tax incentives those local businesses will lose out as well. If Congress does not protect the charitable giving tax incentives there will be a ripple effect that will devastate our Nation at a time when we cannot afford to reduce the number of social service programs that meet basic human service needs." *Love Inc. of Manistee*, Manistee, MI



"We rely on donations to support our effort to eliminate hunger and reduce the impact of poverty in Kent County. Please do make any cuts in this source of income." *Access of West Michigan*, Grand Rapids, MI



"Without continued charitable donations, our organization will be unable to continue the work we began almost five years ago, enriching the educational opportunities for disadvantaged middle school girls in the Benton Harbor community. Please do not turn your back on these needy girls." *Benton Harbor Girls Association for Learning & Self-Esteem*, Benton Harbor, MI



"Please save this charitable giving incentive!!! Our Client Choice Emergency Food Pantry depends on our donors to serve our neighbors in need!!!" *Redford Interfaith Relief*, Redford, MI



"I am a newly formed nonprofit who strongly believes that making changes to the charitable giving incentive will threaten my organizations ability to serve foster youth & young adults aging out of foster care. These kids have enough going against them, and need programs that can support and sustain them." *Future Focused*, Ferndale, MI



"The Michigan Dyslexia Institute (MDI) offers the most comprehensive set of services expressly designed to serve children and adults with dyslexia in Michigan. [Curbing the charitable giving incentive] will almost certainly ensure that MDI will have to close its doors and cease operations. Since its founding in 1982 MDI has completed over 360,000 hours of one-on-one instruction in reading, writing, spelling and comprehension and over 2,600 hours of math instruction. Financial assistance is provided as resources permit for those unable to pay. To date, MDI has raised over \$1,800,000 to assist financially disadvantaged families and these funds have come from charitable sources. The proposed legislation will have a devastating impact on children and adults with dyslexia and should be soundly rejected!" *Michigan Dyslexia Institute*, Lansing, MI

Minnesota

"Nonprofits are already struggling. If the tax incentives for giving are eliminated, that could be the end of the line for many nonprofits." *Arc West Central*, Moorhead, MN



"Nonprofit organizations are extremely vital to Minnesota's programs for families and young children during the crucial early years of children's lives. Especially now, with increasing numbers of families living in poverty, the need for support by charitable organizations of cost-effective prevention and early intervention strategies grows more critical every day - and should not be overlooked." *Minnesota*

Association for Family and Early Education, St. Paul, MN



"We rely on grants from charitable sources to bolster arts education in local schools and provide access to arts experiences for our seniors in the local care center as well as local residents. We provide a showcase for local artists and musicians. In our small town of 500 in west central Minnesota, we have many fewer resources for funding than that available in large cities. Please don't reduce incentives to our givers!" *Evansville Arts Coalition, Evansville, MN*



"With the cuts to appropriations that help support operations for nonprofits, Congress is 'cutting off our legs.' If Congress cuts incentives to give to nonprofits, you cut out 'hearts.'" *Waseca County Historical Society, Waseca, MN*



"As a nonprofit community theater, a large part of our yearly income comes from personal donations from our community. To cut tax benefits for such donations would just remove yet another incentive for charitable giving. PLEASE protect the charitable giving incentive." *Rosetown Playhouse, Roseville, MN*

Nebraska

"We depend on the generosity of donors to offer free programs to grieving children who have experienced a death. This critical work saves society untold costs because this support reduces the likelihood of dropping out of school, substance abuse, teen pregnancies, mental and physical illness and illegal activity. This vulnerable population can go on to have healthy productive lives if they receive the right kind of support." *Ted E. Bear Hollow, Inc., Omaha, NE*



"Nebraska CASA and the 22 local CASA programs across the state of Nebraska rely on donations from individuals to serve as a voice in court for Nebraska's abused and neglected children. Children with a CASA volunteer spend an average of 4 months fewer in foster care than children without a CASA volunteer. If every foster child in Nebraska had a CASA volunteer, and if those

children spent just ONE month less in foster care, it would mean an annual savings to taxpayers of over \$10.5 million. Donor support is vital to saving dollars and lives. Please support charitable giving tax breaks for individual donors." *Nebraska CASA Association, Lincoln, NE*



"We can't neglect to calculate the private dollars leveraged in all our communities by nonprofit organizations." *Holy Name Housing Corporation, Omaha, NE*



"Our foundation and its 50 volunteers work hard for our small (\$65,000) organizational budget. 100% of our income comes from individual and business donor support. Without charitable deductions, our organization which serves 13,000 individuals in NE Nebraska, would cease to exist. Vulnerable youth, families and communities would be at-risk if ours and other 501(c) 3 charitable organizations were left without private donations from those who recognize the positive impact we make every day!" *Arlington Youth Foundation, Arlington, NE*



"Please leave this deduction intact. The future of our kids depends on it." *Boys and Girls Clubs of the Midlands, Coeur d' Alene, NE*

New Jersey

"We count on gifts from individual donors to cover our costs for running an operation designed to help people with mental illness find employment. If our funding dries up and we are forced to close, our members will lose this empowering resource. We can't afford to leave it up to government, who are cutting vital services." *Laurel House Middlesex, New Brunswick, NJ*



"Please take in consideration our communities before you cut off much needed funds." *Lighthouse Social Services, Orange, NJ*



"Please do not reduce the charitable giving incentive, especially at this time of government funding cutbacks to nonprofit organizations! We are working so hard to provide the much-needed

human services which the government cannot afford to provide.” *NAMI-Sussex, Inc.*, Sparta, NJ



“Tax deductible contributions for individuals and corporations are an important incentive to maintain our fundraising efforts. Our client populations have doubled in the past two years at a time when local, state and federal funding has declined. Help us continue to help others and encourage private contributions to nonprofits.” *Affordable Housing Alliance*, Eatontown, NJ



“We nonprofits fulfill so many needed services that the government doesn't and perhaps, should not, that we save the government billions of dollars. You will be denying services of all varieties to millions of people if you cutoff any possible funding to us. We have a hard enough time surviving as it is.” *National Life Center, Inc.*, Woodbury, NJ



“We all need to protect the charitable giving incentives. In this time of economic struggles our organizations are suffering from lack of funds to help our neighbors survive.” *Center for Food Action*, Englewood, NJ



“At a time when government is increasing their cutback of programs that help those most in need, and nonprofits have been meeting the challenge, I am so disappointed that Congress would even consider such a proposal as this. It completely discourages social responsibility and will hurt many more people than it will help.” *Summit Area YMCA*, Summit, NJ



“This would not be good for the many organizations that support and help those with various disabilities. A portion of their funding depends on individual giving and would leave a serious void in their budgets, should this go through. I encourage you to vote against this legislation.” *Preferred Behavioral Health of New Jersey*, Lakewood, NJ



“Not only do contributed funds sustain our small nonprofit, we believe it's incredibly important to engage people in the act of giving. The tax incentive is a small recognition of the invaluable work people who donate make possible. Please do the right thing.” *The Children of the Earth Foundation*, Manahawkin, NJ

New York

“Our agency's government contracts have been cut by over \$200,000 this past year. The only way we can replace that money is through private grants and individual donations. Tax deductibility of those donations is crucial to making that system work. Find some other way to increase revenues, PLEASE!” *Neighborhood Initiatives Development Corp*, Bronx, NY



“We are a "home away from home" for many patients and families of patients seeking care in the CNY area. We provide lodging, transportation and meals to seniors, lower income families, veterans and families whose extended stay away from home for medical care would cause financial hardship. We only ask for \$20 per night and no one is turned away for inability to pay. We receive no federal or state funding. We rely on our community - mostly individual donors, some businesses, to support our budget (less than \$175,000 per year) for this very important mission. Please do not do anything to discourage people from giving. Often it's their heart that leads them to donate, but more often it is the deduction that maximizes the donors giving.” *Sarah House*, Syracuse, NY



“My organization and other nonprofits rely on the current charitable giving incentive to help pay for delivering existing services, so reducing the incentive will reduce the amount of services we can deliver. Bailey's Cafe brings youth and elders together through the arts and service. We nurture positive, reciprocal relationships that heal and celebrate individuals and build healthy communities. We are completely dependent on charitable giving to maintain our programs and services. Please reconsider these budget cuts.” *Bailey's Café, Inc.*, Brooklyn, NY



“For 11 years I have been a trustee and officer of a small foundation that performs and promotes early music (1100–1800). It is a hand-to-mouth operation every year. At the moment, the founder and artistic director of the organization, who created it more than 30 years ago, has agreed to waive his compensation to put it barely into the black. We rely hugely on donations, and I have no doubt that any cut in their deductibility will put us deeper into the red and possibly out of existence.” *Early Music Foundation, New York City, NY*



“We are a ‘grass roots’ organization dealing with hunger in our community. We are all volunteers and receive no government funding of any kind. Our funding comes from individual donors. We need their donations to help fund our Food Pantry and our program for supplemental groceries for homebound seniors. In this difficult economy, we could not survive and help our recipients without our donors.” *Kingsbridge-Riverdale-Marble Hill Food & Hunger Project, Inc., Bronx, NY*



“We provide work for our young singers from donated funds. I am sure that we would receive far less if there were no tax incentive to give. Please help us help your young singers , Thank you.” *The Schuyler Foundation for Career Bridges, Bronxville, NY*



“SPRYE is an aging-in-place membership organization. Our membership fees only cover 40% of our operating costs so private donations are essential to keeping us sustainable.” *SPRYE Inc., Rye, NY*



“We work to reduce high-risk behaviors especially pregnancies. A recent paper out of SUNY Binghamton found that for every 10% rise in teen pregnancies in a county, ‘economic growth is expected to slow by 2.3% in that county.’ In the present economic slowdown it would seem practical to do everything we can to encourage our young people to avoid behavior that can lead not only to pregnancies, but to a host of other mental, physical and emotional problems which

can lead not only to misery for themselves, but will be a huge burden on health costs. Our organization has already lost much support due to the economy. Losing the charitable deduction would be a major blow.” *Abstinence Education Council, West Oneonta, NY*



“As a nonprofit organization comprised 100% of volunteers, the Troy Booster Club would be close to eliminated if we could no longer offer our contributors/donors a tax deductible incentive. All Troy School District's students attending Doyle Middle and Troy High Schools, approximately 2,000 students, would be detrimentally affected by such a change in the law. Please protect the charitable giving incentive.” *Troy Booster Club, Troy, NY*



“Our outreach programs to the community and financial support for food pantries, housing for homeless persons, minority advocacy, and other programs would not continue without financial support from our members and the community; this would diminish dramatically if the deduction for charitable giving were to disappear.” *First United Methodist Church of East Greenbush, East Greenbush, NY*

Ohio

“Since 1916, the Sisters of St. Francis of Sylvania, Ohio have had a good track record of service in education, health care, social work and more to the people of Northwest Ohio and beyond. Among those who made this possible are our grantees. Now we have the Sylvania Franciscan Village and its outreach wherever we minister in 12 states and in Haiti. The American tradition has always included philanthropy to give people and groups an opportunity to be partners in service to mankind. They get the satisfaction of being part of something larger and more far-reaching than their own world. To make tax cuts and curb this trend would result in less being accomplished for our area and for the world. If our services were cut, the government, in the end, would be funding more.” *Sisters of St Francis, Sylvania, OH*



“Charitable giving in the United States extends back to even Colonial times before the Revolution. It is a unique quality of our people to choose giving and to choose those causes to support. Individual responsibility to give is a trait of the American people to celebrate, to support, cultivate and encourage. It is vital to who we are as citizens to maintain charitable giving. Frankly, individual citizens and for-profit businesses make better choices of recipients of their gifts and hold recipients accountable much more than government will or can do. It seems to me the restriction on charitable giving is a way for the federal government to acquire more private capital to increase its power while at the same time weakening those not-for-profit recipients of charitable giving. It will not profit our nation, and will actually weaken the fabric of citizenship and the organizations/ institutions charitable giving supports to remove individual charitable giving choice and thus cut off the charitable support recipient organizations receive to carry out their mission.” *Ohio-West Virginia YMCA, Latham, OH*



“Aurora Project, Inc. is a comprehensive housing and life skills program that empowers homeless women and their children to achieve self-sufficiency and independence by providing resources and learning opportunities in a supportive and safe environment.... Additional reductions by private charities and individuals will further burden not only Aurora, but many small nonprofits that are experiencing an increased need for services at a time when major funding cuts are being made. Proposals to cap or reduce the tax value of charitable contributions will force many agencies to reduce or eliminate much-needed services to the most vulnerable of populations. This not only hurts the charities, but impacts the quality of life for the entire community.” *Aurora Project, Inc., Toledo, OH*



“The YMCA of Greater Cincinnati supports children to learn, grow and thrive by providing access to all children and families which is possible through the support of charitable contributions to the Y. Whether in Over-the-Rhine, Price Hill, Madisonville, Skyline or any of our programs throughout Hamilton County, our sliding fee scale allows the lowest income

children to participate in quality child care and summer learning programs. Healthy activities and chronic disease prevention programs are offered in low-income communities where the Y may be the only option. Adult volunteers and business leaders help us raise the funds needed to offer these critical programs. Without the charitable contributions we receive, thousands would go un-served and economic disparities for youth development, education and health would widen. Please preserve the charitable structure so we can continue to help all lead a healthy and productive life.” *YMCA of Greater Cincinnati, Cincinnati, OH*

Oregon

“As our country begins to rely on Nonprofits more and more, it is imperative that this incentive remain in place. How will we help everyone in need if we have no way to raise funds?” *Neighborhood Economic Development Corporation (NEDCO), Springfield, OR*



“SIU is establishing a scalable model to help teens get work experience so they are not alienated from the world of living wage jobs, know why they need to stay in school, and bring over \$500,000 to our economy over their lifetime by just graduating from high school. That is \$5 million for every 10 teenagers that stay in school! Without the tax deduction as an incentive, the investment in our work will not be adequate to continue our work, let alone bring it to scale to help improve our economy. Please retain the charitable giving incentive to support teen career and college success!” *Step It Up, Inc., Portland, OR*



“Please do not take away the incentive for our donors to give. In our current climate of government funding cuts for nonprofits across the board, this would be like rubbing salt in our wounds!!” *Covenant Connection, Gresham, OR*



“The charitable deduction incentive is critical to the many donors who have supported our agency in its work with children and families. A reduction to that incentive would be devastating to the hundreds of thousands of nonprofit agencies

serving the most vulnerable populations in American. Moreover, it is shortsighted: less charitable giving means that fewer people will be served by these nonprofits and in their moment of crisis the needy populations will turn to the government for assistance. Let us nonprofits do the critical human services work for vulnerable populations." *Youth Villages - ChristieCare of Oregon*, Marylhurst, OR



"The ability to generate support from our community is critical to the well-being of our organization, especially in light of reduced government support of our programs and services." *Exceed Enterprises*, Milwaukie, OR



"We would cease to exist – immediately – both in congregations and in the community, without the charitable deduction. Please protect this important incentive to providing safety net services in our communities!" *Northwest Parish Nurse Ministries*, Portland, OR



"The charitable deduction is a most essential tool to provide funding for the dedicated work that nonprofits accomplish in our local communities; striving to meet the needs in a collaborative manner that frequently 'stands in the gap' to provide services that government or the private business sector cannot accomplish without nonprofit processes. Please consider your decision carefully, and continue supporting the nonprofit sector through the charitable deduction incentive to taxpayers and charitable donors." *Good Shepherd People for Parks*, Portland, OR



"Nonprofits need all the incentives for donations that are by heartfelt choice from the individuals and businesses that desire to give.... We hope to continue with Meals on Wheels and a place that the Seniors and the community can come to socialize and be as one. Without the donations, we will be no more." *Clatskanie Senior Citizen's, Inc.*, Clatskanie, OR



"When government budgets for essential social services were cut, the answer was 'the private

sector' will pick it up. Today nonprofit organizations (501(c)(3) under the tax code) provide the ONLY social services in our neighborhoods. Please don't cut our budgets also. Continue to provide the incentive of tax credits for contributions to nonprofits." *Mercy Corps Northwest*, Portland, OR

Pennsylvania

"Home Health Care Management is the parent company for several home health care agencies. It is through the generosity of the community and individual donors that we are able to continue our mission of serving patients without regard for their ability to pay. Please do not change the rules about charitable giving and discourage individuals from helping us to help others in the community. Thank you." *Home Health Care Management*, Wyomissing, PA



"As government cuts back on services to people in need, the private nonprofit organizations in America are called upon to do more. We will rise to the challenge as best we can, but in order to be successful we need the support of donors. Please don't take away their incentive to contribute to programs that benefit their communities." *Pennsylvania Association for the Blind*, Mechanicsburg, PA



"I urge you to continue to allow charitable deductions to income tax. This deduction encourages the giving that is the lifeblood of churches and other nonprofit organizations which serve our communities in countless ways." *First United Methodist Church*, Phoenixville, PA



"Our organization has completely lost ALL funding [from government]; therefore, fundraising and charitable donations are the only thing keeping our doors open. Our services provide much needed education and support for those living with mental illness and also for their families. Nonprofits fight hard to survive and need all the help we can get." *NAMI PA Cambria County Affiliate*, Johnstown, PA



"Charitable donations are critical to our nonprofit organization. Without these, we would not be

able to provide our community with the opportunities we now give, including children's classes, adult classes, cultural events, and historical preservation projects." *Rekindle the Spirit, Inc.*, Canton, PA



"Our camp is free to children who require a ventilator to breathe. The camp is funded solely by donations and staffed by volunteers. Changes in charitable donation legislation would make it impossible for our organization to provide the camp to our children." *PA Vent Camp*, Hershey, PA



"Our organization is 90 percent funded by charitable giving. Changing the charitable giving tax law would hurt our organization substantially. In the current economic time, individual giving has decreased. We can't afford any additional decrease in giving, if we are to sustain our programming to the blind and low vision residents in Fayette County, PA." *Fayette County Association for the Blind*, Uniontown, PA



"Do NOT make any changes to the charitable giving incentive. We serve homeless and vulnerable children suffering trauma from abuse, war, catastrophe and disaster. Changing the law will threaten critical funding for our work and for the work of countless nonprofits that provide the lion's share of community-based social services to the neediest people of our world." *BuildaBridge International*, Philadelphia, PA



"It is important to our fundraising efforts, which sustain this organization, that the monetary gifts given are tax-deductible. Daemion Counseling Center does not receive any government funding." *Daemion Counseling Center*, Berwyn, PA

Tennessee

"The cumulative effect of the proposed changes to the charitable giving incentive when combined with likely cuts from Federal programs as a result of 'sequester' and /or 'fiscal cliff' negotiations will prove devastating to the clients served by the very programs these funds currently support.

While we recognize and endorse the need for structural change and a return to stronger fiscal accountability at the Federal level, in our view, any disincentive to the private sector to give (which is what the proposed changes to the charitable giving incentive seem to do) is counterproductive." *Catholic Charities of West Tennessee*, Memphis, TN



"There are huge demands on the services of nonprofit organizations, particularly those serving the poor. And the demands have increased drastically since 2008. Cut backs in government programs as well as the loss of income/assets in our donor base have put enormous pressure on Memphis Leadership Foundation and the 20 other nonprofits for whom we provide administrative services. Removing the charitable gift deduction will have a deleterious effect on organizations like ours that serve the marginalized populations in major cities. The majority of nonprofits in Memphis are working on shoestring budgets as it is. Philanthropy is at the heart of our country. Penalizing generous American makes little sense and will, no doubt, lead to even more issues for government to solve as nonprofit organizations have to cut back even more." *Memphis Leadership Foundation*, Memphis, TN



"Individual donors are the lifeblood of Literacy Mid-South. By eliminating the charitable tax incentive, many of our donors would have no incentive to contribute as much or as often, forcing us to eliminate services, staffing, and aid. Our reliance upon government support would increase, as only .05% of our funding comes from the government. The elimination of the charitable tax incentive could also eliminate Literacy Mid-South and deny services to the most impoverished people in Memphis." *Literacy Mid-South*, Memphis, TN



"Porter-Leath, a 162 year old nonprofit serving children and families, has depended on public support since its founding in 1850. The agency's mission is early childhood so the focus is on children under age 5 and families with children under that age. While services include home

visitation, nutrition and pre-schools, Porter-Leath has a powerful arrangement with a group of strategic donors. The deal is that these donors will provide funds to build and equip pre-schools which offer services that compare with those of Head Start. Currently, the donors have paid for the purchase of one school at a cost of \$1.1M and renovated a second school at a cost of \$372,000. These schools serve 300 children and these same donors have agreed to pay the operating costs of \$732,000 for 100 students for three years. Currently, the donors have a \$12M pledge in place to build three more schools serving 720 Head Start students over the next 30 months. These donors need the tax deductions and will likely not continue to support this early childhood effort in Memphis, TN, which is in desperate need of additional services.” *Porter-Leath, Memphis, TN*



“RISE is a nonprofit organization whose mission is to help people to become **self-sufficient** by building and sustaining human and financial assets. Most donors are attracted to support our organization because it helps low-income families make better use of their limited resources and to become taxpayers (through assets purchased with their Individual Develop Accounts) rather than receivers of services support by tax dollars. A change in the charitable giving incentive will negatively impact our organization’s ability to raise funds from private donors and also from the program participants that we have served in the past. As a matter of fact it will probably cause RISE to no longer exist as one of the few programs available to help families move from poverty to true self-sufficiency.” *RISE Foundation, Memphis, TN*



“The combination of tighter government budgets and the reduction of corporate community support has put more emphasis on the individual donor to support nonprofits with direct donations. Being able to directly deduct contributions as a tax incentive provides additional motivation to the donor to assist the nonprofits in offsetting the shortfalls created by government and corporate cutbacks. Eliminating these tax incentives for the private donor would have devastating impacts on nonprofit

programming, employment, and client benefits.” *Memphis Botanic Garden, Memphis, TN*



“Although hard to predict exactly what impact a reduction or elimination in the charitable deduction would have on Metropolitan Inter-Faith Association (MIFA), it could potentially be disastrous. This action coupled with flat governmental funding for the last twenty years for some of our core programs could devastate our ability to provide needed services to our clients. For example, it would diminish our capacity to serve meals to the frail homebound, reduce our ability to provide utility assistance for those suffering from unavoidable emergencies and could prevent us from providing transportation assistance to those unable to drive themselves to needed medical appointments. Eliminating incentives for private sector contributions could curtail services for basic human needs at a critical time of increased demand.” *Metropolitan Inter-Faith Association, Memphis, TN*



“To the great benefit of American nonprofits, our country leads the world in philanthropy and sets the example of generosity for other nations to follow. While giving at such high levels is largely due to the American spirit, we must also recognize that favorable tax treatment is an essential motivator for charitable donations. Should tax incentives be reduced, the likelihood of Americans continuing high level giving will be compromised. Safety-net organizations, and their constituents, will become more dependent on government aid. Cultural organizations like ours, the Memphis Symphony Orchestra, will move further back in the line of giving, and we will find ourselves competing even more fiercely for limited funds. As our potential decreases, we will fail. Jobs will be lost (more than 100 in our organization), along with the revenues they drive, and America will face a cultural deficit that is difficult to imagine with crippling impact on education, community health and quality of life. Please consider this issue carefully - much is at stake.” *Memphis Symphony Orchestra, Memphis, TN*

Texas

"If the opportunity to give to charities is no longer tax deductible, people won't be as open to giving. We have already had major cuts in our grants. Who is going to take care of all the issues in the world that the government doesn't?" *Dallas Area Rape Crisis Center, Dallas, TX*



"With dollars declining from government, foundations and corporations, our nonprofit depends on individuals' generosity to ensure we can protect abused women and children with shelter and other services that create contributing members to a healthy community." *SafeHaven of Tarrant County, Hurst, TX*



"One of the principal reasons for continued and enhanced federal support, as well as maintenance of the allowance for tax deductions made by donors, is the fact that many of these groups provide a service that is much less costly than comparable government funded services. Council on At-Risk Youth (CARY) for example makes a considerable return on investment, exceeding 20 to one, for public and private funding support for our prevention and early intervention operations. CARY conducts evidence-based delinquency and youth violence prevention services to 600 at-risk youth in our school disciplinary system each year. Research documents that these 600 youth who are engaged in aggressive, abusive and assaultive acts toward others, are in the absence of the CARY program, in the 'pipeline to prison.' Based on research, we know that two thirds of participants improve their academic grades and almost one hundred per cent significantly diminish their violent related acts of abuse, aggression and assault toward others.... Consider the value of comparable youth service prevention programs in payback to the community, the state and the nation. Please preserve and increase government support for delinquency prevention programs through the Office of Juvenile Justice and Delinquency Prevention; and please preserve the tax code allowing deductible contributions made by local citizens who appreciate the value of crime and delinquency reductions in our communities as well as the return on investment made by non-profit organizations." *Council on At-Risk Youth (CARY), Austin, TX*



"As a charitable, nonprofit medical clinic we provide an invaluable resource to those in our community who are not covered by government nor private insurance. Tax deductible gifts are a mainstay of our financial plan. Please protect the rights of citizens to make these tax deductible gifts." *Faith Family Clinic, San Antonio, TX*



"The San Antonio Bay Partnership, Inc. (SABP) is a recently formed nonprofit organization dedicated to protecting, restoring and enhancing the natural resources and human uses of the San Antonio Bay/Guadalupe Estuary System on the mid-Texas coast. Unlike two other similar, existing estuary programs in Texas, SABP does not receive any dedicated state or federal funds for its activities, but, instead, relies solely on grants and charitable contributions – both of which are already difficult to obtain. Any elimination of, or reduction in, the income tax deductibility of charitable donations will make the fund raising situation even more difficult." *The San Antonio Bay Partnership, Inc., Victoria, TX*



"After Hurricane Ike, we were almost destroyed. The economic downturn happened next. Please don't hurt this population again, with the passage of this measure." *St. Vincent's House, Galveston, TX*



"It's hard enough dealing with the slowdown on donations due to the economy but it is an added blow if our expenses are raised by this legislation at the same time." *South Texas Food Bank, Laredo, TX*



"If the opportunity to give to charities is no longer tax deductible, people won't be as open to giving. We have already had major cuts in our grants. Who is going to take care of all the issues in the world that the government doesn't?" *Dallas Area Rape Crisis Center, Dallas, TX*



"We serve children who are deaf and hard-of-hearing, teaching them to listen, speak and read without using sign language. Our agency has a

school, speech clinic, audiology clinic and family support services. We receive no state or federal funding, yet the return on investment is great for the public good. For the investment in each child who matriculates into a mainstream school, our agency saves \$1,000,000 in special education and other government-help programs. Currently, 61% of our revenues come from fundraising. Don't cripple our ability to help deaf children lead independent and successful lives by messing with the charitable deduction provision in our tax code." *The Center for Hearing and Speech*, Houston, TX

Washington

"Nonprofit organizations play a vital role in our communities. Contributions are the back bone of our funding. Surely Congress can think of other ways to address the budget issues besides removing the tax incentives for contributions. The doors to many nonprofits will be closed if we lose this incentive - I don't think the public sector will fill in the funding gap. This is a really bad idea." *Support for Early Learning & Families*, Vancouver, WA



"Our youth programs provide prevention options in the battle against gang involvement in our community. These programs are funded by local donors. Limiting their capacity to give to activities that positively impact youth will limit our ability to provide youth activities. Please don't reduce our ability to impact Yakima through vital services that government does not provide. Reducing charitable giving will reduce impact services." *Yakima Family YMCA*, Yakima, WA

Wisconsin

"Goodwill Industries of Southeastern Wisconsin and Metropolitan Chicago served more than 53,000 individuals in 2012, and helped people find 3,700 jobs in the community. We were able to accomplish this in large part through the generosity of 2.9 million donors who gave clothing and household items in support of our mission programs. Any decrease in charitable giving will affect our services and will negatively impact the people we serve." *Goodwill Industries of Southeastern Wisconsin and Metropolitan Chicago*, Milwaukee, WI