

Office of Public Policy
Knights of Columbus
3900 Harewood Road, NE
Washington, DC 20017

Hon. David Reichert, Chairman
Hon. John Lewis, Vice-Chairman
Working Group on Charitable and Exempt Organizations
House Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

April 15, 2013

Dear Chairman Reichert and Vice-Chairman Lewis,

Thank you for the opportunity to comment on tax reform as it relates to exempt entities. The Knights of Columbus writes to call your attention to the benefits the 501(c)(8) tax designation provides to our Nation's communities and beyond.

Organized around the principles of Charity, Unity, Fraternity, and Patriotism, the Knights of Columbus is the largest Catholic lay organization in the world. A parish priest, Father Michael McGivney, founded our organization in 1882 to provide for the needs of widows and orphans among his community and to provide a place for Catholic men to grow in their faith and unite in charitable works. Since then, we have grown to 1.8 million members, 1.3 million of whom live in the United States, providing life insurance and other financial products to ensure the financial security of our members' families.

In addition to our financial products, the story of the Knights of Columbus continues to be a story of charity in action. Last year alone, our organization provided \$158 million in funds to charity and over 70 million hours of community service. Over the past decade, these contributions have topped \$1.4 billion and 660 million hours respectively. Our Coats for Kids program allows local councils to receive matching funds from our headquarters in order to provide warm winter jackets for children who might otherwise stay home from school in the winter. Through our global wheelchair mission, local councils have provided tens of thousands of wheelchairs to individuals in places where such basic medical supplies are out of reach. We have been a steadfast supporter of the Special Olympics at every level since its inception. These are just a few examples of our outreach.

The Knights of Columbus is part of a wider universe of similar organizations known as Fraternal Benefits Societies, which are tax-exempt organizations under Section 501(c)(8) of the tax code. Our exempt status is critical to our charitable works, which through our chapter system often fulfill needs that the government simply cannot. A study by the Georgetown McDonough School of Business found that for every dollar Fraternal Benefits Societies are not taxed, we provide 68 dollars worth of benefits to our communities. The role we play in the health of our communities is a critical one, and we ask that our lawmakers commit themselves to protecting the 501(c)(8) designation during the ongoing discussions over tax reform. Our exemption has helped our organizations improve countless lives and communities by providing financial security and concrete charitable service. The good we do would be impossible without the exemption, which we have come to depend on. Thank you for your time.

Sincerely,

A handwritten signature in black ink that reads "Patrick E. Kelly". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Patrick E. Kelly
Vice President of Public Policy
Knights of Columbus