

League of American Orchestras

**Written Statement: House Ways and Means Tax Reform Working Group
Charitable/Exempt Organizations
April 15, 2013**

**Jesse Rosen, President and CEO, League of American Orchestras
33 West 60th Street, Fifth Floor, New York, NY 10023
Phone: (212) 262-5161 Fax: (212) 262-5198 Email:
advocacy@americanorchestras.org**

As Congress considers policy approaches to tax reform, the League of American Orchestras urges the House Ways and Means Committee to support the vital work of nonprofit organizations in communities nationwide by preserving the tax deduction for gifts to charitable organizations. Private contributions are a critical source of support that enables orchestras to broaden public access to the arts, nurture cultural diversity, spur the creation of new artistic works, and foster a sense of cultural and historic pride, all while supporting countless jobs in communities nationwide.

The League of American Orchestras leads and supports America's orchestras and the vitality of the music they perform. Founded in 1942 and chartered by Congress in 1962, the League links a national network of thousands of instrumentalists, conductors, managers, board members, volunteers, and business partners. Its diverse membership of more than 800 nonprofit orchestras across North America ranges from world-renowned symphonies to community groups, from summer festivals to student and youth ensembles. Orchestras unite people through creativity and artistry, fuel local economies and civic vitality, and educate young people and adults – all with the support of private contributions, volunteers, and community partners.

We urge the Committee to take the following into consideration as it considers tax reform measures:

Charitable giving is an essential form of support. Declines in giving would result in the loss of vital local nonprofit programs. Orchestras, as tax-exempt organizations, are partners in the nation's nonprofit charitable sector working to improve the quality of life in communities nationwide. Orchestral activity is supported by an important combination of public volunteerism, private philanthropy, and civic support that is made possible by virtue of tax exempt status and incentives for charitable contributions. Ticket sales and admission fees alone do not come close to subsidizing the artistic presentations, educational offerings, and community-based programming of nonprofit arts organizations. In fact, total private

contributions represent roughly 40% of the revenue that makes the work of U.S. orchestras possible. Contributions from individuals and individual family foundations account for 19.4% of total revenue to nonprofit orchestras in the United States. At a time when all forms of revenue – earned, philanthropic, and governmental – are extremely challenged, many nonprofit cultural organizations are simply unable to withstand decreasing support from individual donors.

The tax incentive for charitable contributions does not increase the wealth of individual donors; it uniquely encourages private, individual investment in the public good. While the initial impulse to give comes from the heart, studies have repeatedly shown that charitable giving incentives have a significant impact on how much and when donors contribute. Charitable giving incentives encourage donors to give more to support the causes they identify as beneficial to their communities. Congress wisely recognized the importance of giving incentives by reinstating and extending the IRA Charitable Rollover provision through the end of 2013, even in the midst of the complicated fiscal cliff negotiations. Many donors do carefully plan their giving, taking into account available tax incentives. The repeated cycles of expiring tax provisions, like the IRA Rollover, together with the threat of changes to the deductibility of contributions, unnecessarily create a climate of uncertainty for donors. We urge the Committee to act to make the IRA Rollover provision permanent and to remove from consideration proposals that would diminish charitable giving incentives.

Should charitable giving incentives be scaled back, it is the public – not wealthy donors – who would suffer. Orchestras, like other nonprofit organizations, rely on contributions from donors from across the economic spectrum. Should individual donations decline, the capacity of nonprofit performing arts organizations to provide educational programs and widely accessible artistic events, and to boost the civic health of communities and the artistic vitality of our country, would be diminished at a time when the services of all nonprofits are most in demand.

Reducing incentives for charitable giving would harm nonprofit jobs. Nonprofit jobs account for 1 in 10 members of the U.S. workforce. American orchestras employ thousands of professional musicians, administrators, educators, and stage personnel in cities and towns across the country. These workers are key contributors to their local “creative economy” through their day-to-day work, boosting their community’s reputation for excellence and competitive edge. They are also planting the seeds for future economic growth through the educational, artistic, and civic programs they present to young people, nurturing the next generation of workers who will be prepared to contribute to the global economy – which is increasingly reliant on creativity and the communication of ideas. The jobs of many artists and administrators working in the nation’s nonprofit performing arts community would be imperiled by declines in charitable giving.

Orchestras are important contributors to the American civic life, and charitable giving to orchestras substantially improves the health, education, and artistic vitality of communities nationwide. The programs and music of America’s orchestras are embraced, supported, and accessed by the public in communities large and small throughout our country. Here are facts about the contributions orchestras make to the public good:

- More than 60% of the 32,000 concerts given annually by League member orchestras are specifically dedicated to education or community engagement, for a wide range of young and adult audiences. With the support of private contributions, these concerts are made available free of charge, or at reduced prices that provide access to families and attendees from across the economic spectrum.
- Orchestras partner with other community-based nonprofits every day to serve specific community needs. In a national survey, our members identify more than 40 types of programmatic activities that engage community partners, including health and wellness programs, engagement of military families, senior programs, and an extensive array of music education partnerships with schools and in afterschool settings. These partnerships include hands-on public participation in music making as well as immersion in the core music experience in the concert hall.
- Orchestral activity is not out of reach – it is embedded in civic life of towns and cities across our country. With more than 1,800 symphony, chamber, collegiate, and youth orchestras across the country, America is brimming with extraordinary musicians, live concerts, and orchestras as unique as the communities they serve. Thousands of young people every day embrace the opportunity to perform side-by-side with their peers in determined pursuit of excellence. Meanwhile, adult professional and community orchestras of all sizes present extraordinary music written by today's U.S. composers, as well as pieces old and new from across the globe.
- Through the power of music, orchestras unite individuals in the unique shared event of a large ensemble performance, and are often a focal point when a community seeks to commemorate an important civic moment. Orchestras, the musicians, and the music are a source of strength and pride, as well as a vehicle for community unification and reflection.
- Orchestras contribute to our nation's artistic vitality, supporting the creative endeavors of thousands of today's classical musicians, composers, and conductors, while strengthening, documenting, and contributing to our nation's diverse cultural identity.

All of the following endeavors - just a sampling of the work of American orchestras - are made possible with support from individual contributions:

Hartford Symphony Orchestra is partnering with Hebrew Health Care for its new Musicians Care Project. Five new in-facility programs for the elderly and disabled include creating and recording music around their life stories and offering elderly patients in the final stages of their lives a performance of a song of particular personal resonance.

The **Arkansas Symphony Orchestra**, which employs 10 full-time musicians, approximately 50 contracted musicians, 13 full-time staff and 2,436 volunteers in three community guilds across

the state, presented the American premiere of Michael Torke's *Mojave Concerto for Marimba*. The Mojave Desert directly inspired the composition, with the pulse of the marimba and accompaniment representing the moving panorama as one drives the interstate between Las Vegas and Los Angeles. In addition to the premiere, the composer and percussionist spent one week leading education workshops and lectures for student musicians and community members.

The **Los Angeles Philharmonic**, produces *Youth Orchestra LA* (YOLA) one of the largest programs of its kind in the United States. The program provides free after-school instrumental instruction, ensemble performance opportunities, and academic support at two locations: YOLA EXPO Center in South LA and YOLA at Heart of LA (YOLA at HOLA) in the Rampart District. The students participating primarily attend Title I schools and live in neighborhoods with 75% of families' household incomes at or below \$20,000 per year. The attached map illustrates a broader array of local education partners located in the 34th California Congressional District.

Central Ohio Symphony is creating a new criminal justice program using music to engage court-involved adolescents with substance use disorders and/or mental illnesses. The orchestra will partner with the Treatment Court of the Delaware County Juvenile Court and local nonprofit treatment providers to help juvenile offenders gain control over their illness and/or substance disorder, take responsibility for their offense and their personal development, and reconnect as healthier individuals with their families and community.

The Institute for Learning, Access, and Training at the **Chicago Symphony Orchestra** (CSO) offers a diverse portfolio of programs and initiatives that transform lives through active participation in music. The Institute shares the extraordinary musical resources of the CSO by introducing young people to the symphony orchestra and developing an understanding and enjoyment of music through innovative learning programs; providing residents with free or low-cost access to musical performances, events and activities at Symphony Center and in community locations; and offering musical training and performance opportunities for youth that share the knowledge and skills necessary to cultivate the next generation of musicians. The attached map charts more than 30 school partners participating in CSO programs in the seventh Illinois Congressional District.

The **Sammamish Symphony Orchestra** is committed to offering quality music at affordable prices for performances on Washington State's Sammamish Plateau and various locations in the area. This volunteer ensemble provides the opportunity for dedicated musicians to perform with a full symphony orchestra. In addition, the Orchestra promotes involvement in the arts for young musicians who are given the chance to participate in classical and pops concerts. Now in its twenty-first season, the Sammamish Symphony began as the Providence Point Players, and has grown in size and stature to become an integral part of the Eastside artistic community.

The **Boston Symphony Orchestra** (BSO) offers a wide range of music education programming. Just one example is the BSO Teen Council, a year-long mentor and leadership

development program for high school students. The diverse youth that make up Teen Council receive consistent arts access, mentoring by a BSO musician and training while developing skill sets and activities that reach out to their peers, families, and communities, spreading knowledge to help other youth. The BSO also operates the Tanglewood Music Center, the BSO's summer academy for advanced musical study. The attached map illustrates the diverse community partners engaged in the array of community-based programs taking place in the first Massachusetts Congressional District.

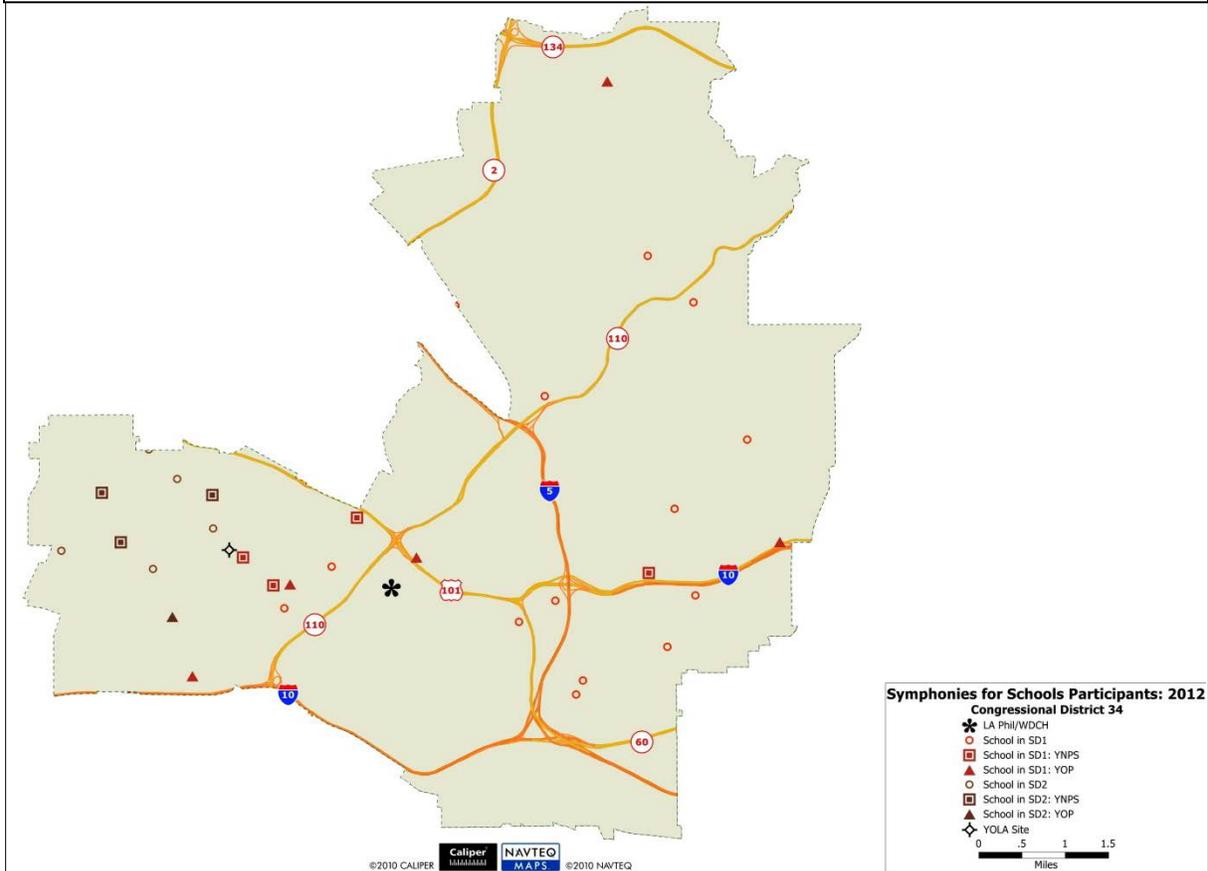
The **Atlanta Symphony Orchestra** partners with dozens of Atlanta nonprofit organizations to provide access for individuals who otherwise would not attend a concert. Atlanta Symphony Orchestra musicians not only perform for the community, but are also members of the community. They make themselves available on an individual or small ensemble basis to local nonprofits that wish to utilize their talents in service to the community. Symphony musicians have performed in nursing homes, schools, libraries, soup kitchens, and many other community locations, serving over 11,000 community members annually.

Community Connections is the **Seattle Symphony's** commitment to building bridges with diverse communities in the Puget Sound region through Symphony concerts, music making, and co-created community performances. The Symphony provides access to complimentary tickets, customized pre-concert events, in-depth creative projects, and opportunities to develop community concerts in local neighborhoods, specifically tailored in partnership with youth, cultural, and social service organizations.

In the broader tax reform debate, some have questioned the value of nonprofit cultural organizations when compared to nonprofits serving the basic human needs of food and shelter. We urge you to reject any attempts to divide the charitable sector. The United States relies upon the nonprofit community to provide many public services in fields ranging from public health and education to arts and culture. The various types of charitable organizations that comprise the nonprofit sector do not exist or operate in silos. They are tightly connected through critical local partnerships that leverage shared resources and strengthen services to the public. Diminish one part of the sector, and the entire sector and the public it serves will suffer.

Thank you for this opportunity to express the value of individual charitable contributions to the communities served by orchestras across the nation. America's orchestras promote access to the arts, are important participants in education for children and adults, and support jobs and economic growth. The orchestras profiled in this statement represent just a fraction of the artistic activity, civic engagement, and creative workforce supported by orchestras across the country in partnership with other community-based organizations. On behalf of the full range of American orchestras, I urge the Committee to preserve and strengthen tax incentives for charitable giving.

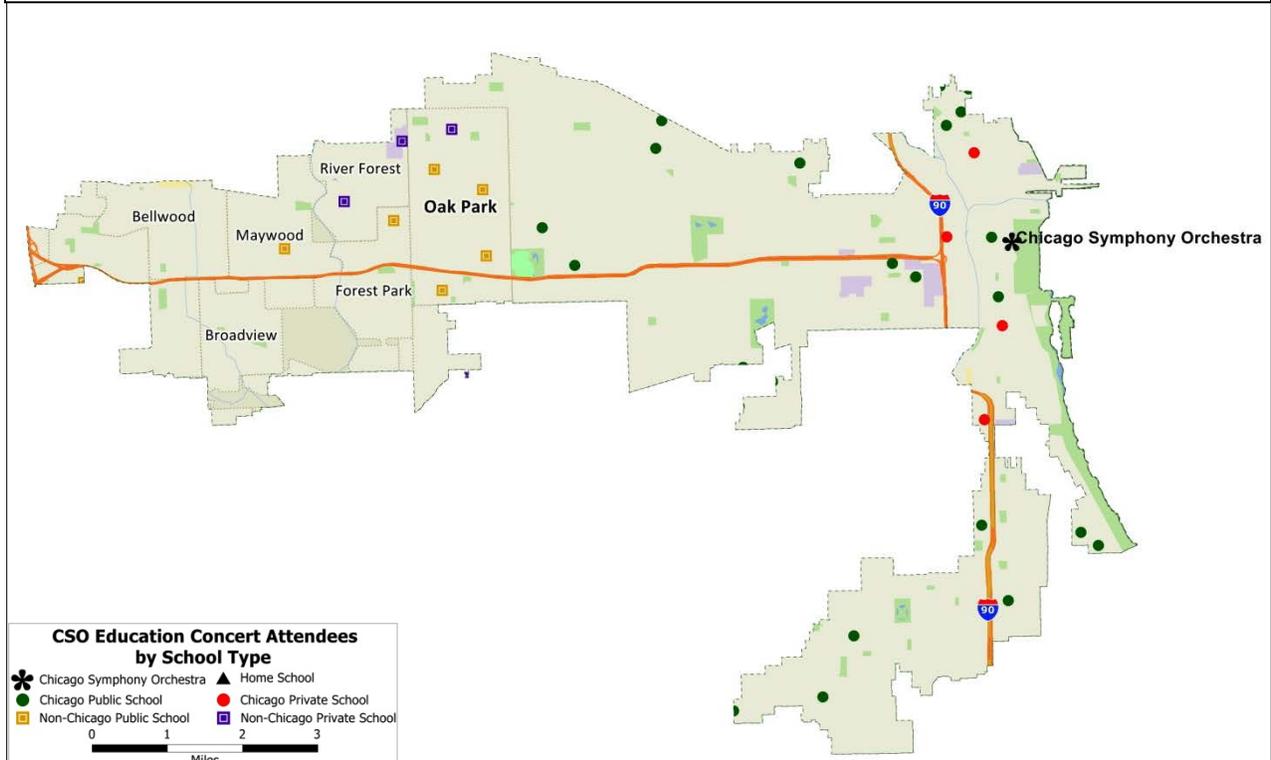
**Los Angeles Philharmonic *Symphonies For Schools* Program:
30 participating schools in California's 34th Congressional District**



The Los Angeles Philharmonic offers innovative music education and community programs, providing teachers, students, and families throughout Los Angeles access to the world's finest musicians and creative programming. The *Symphonies for Schools* program provides elementary and secondary school students with free admission to a concert performed by the Los Angeles Philharmonic at Walt Disney Concert Hall, equips teachers to enhance student learning, and offers professional development workshops on the content of concert performances. In 2012, the *Symphonies for Schools* Program partnered with more than 150 schools in LA County. The map above shows the *Youth Orchestra LA* (YOLA) at HOLA site and **30 partnering schools in CA-34**. Schools that are YOLA Neighborhood Project Schools (YNPS) are denoted by a square, and Youth Orchestra Partners (YOP) by a triangle.

The *Symphonies for Schools* participants in CA-34 are: Berendo Middle School (YOP), Bridge Elementary, Bushnell Elementary, Camino Nuevo-Burlington site (YNPS), Camino Nuevo-Harvard site (YNPS), Charles H. Kim Elementary School (YNPS), Charles White Elementary (YNPS), Commonwealth Elementary (YNPS), Cortines High School (YOP), El Sereno Middle School, Frank del Olmo Elementary School, Gratts Elementary, Harrison Elementary, Hollenbeck Middle School, Immaculate Conception School, La Crescenta Elementary School, Liechty Middle School (YOP), Malabar Street Elementary School, Monte Vista Elementary, Multnomah Elementary School, Nightingale Middle School, Now Academy, Pilgrim School, Plascencia Elementary (YNPS), RenArts (YOP), Roosevelt High School, Santa Teresita (YNPS), Utah Elementary, West Adams Preparatory Academy (YOP), and Wilshire Park Elementary.

Chicago Symphony Orchestra Education Concert Attendees from 2008-11: 32 Partners in Illinois' Seventh Congressional District



Between 2008-2011, students from more than 300 schools from across Illinois, Indiana, Wisconsin and Michigan attended one or more Chicago Symphony Orchestra (CSO) Education Concerts. The map above specifically shows **32 schools in IL-07** that regularly attended CSO Education Concerts during this period. These schools are:

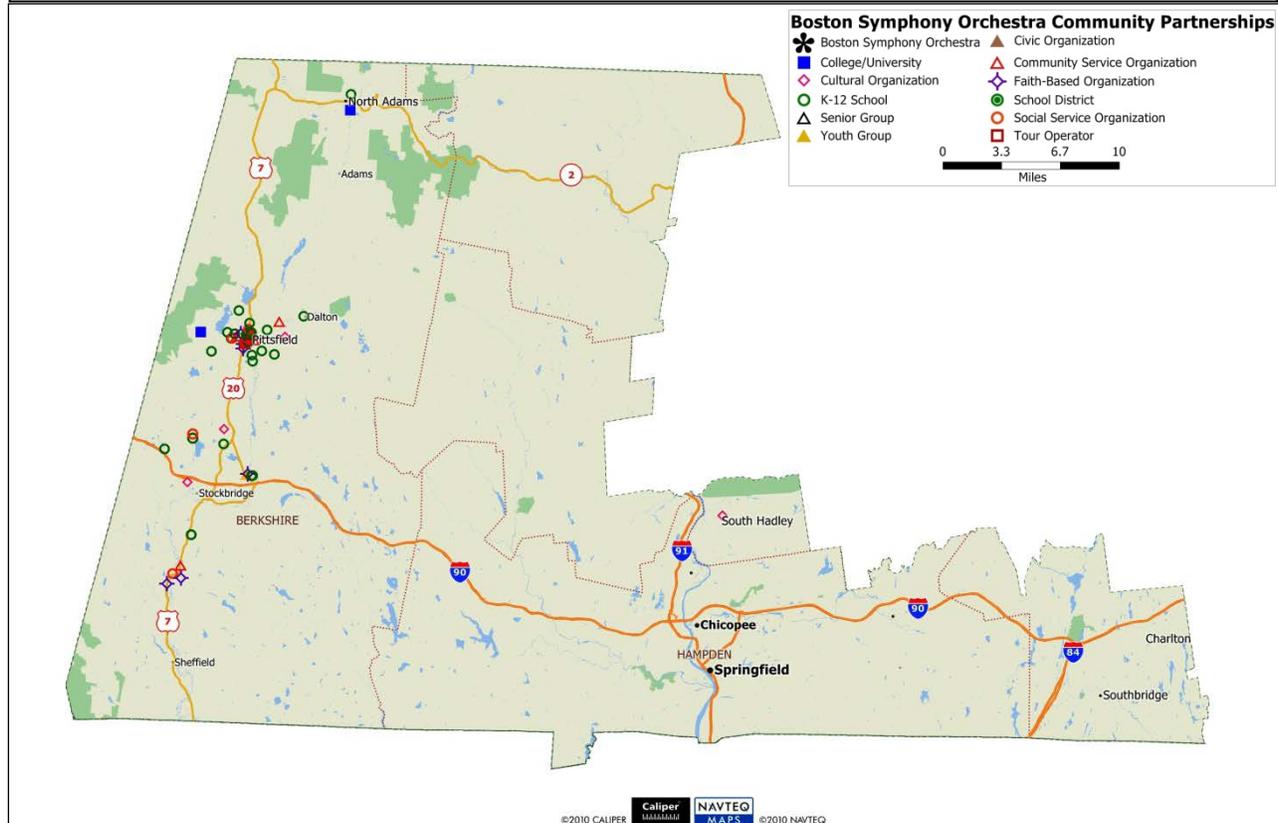
Chicago Public Schools: Alfred Nobel Elementary School, Andrew Jackson Language Academy, Beasley Academic Center, Board Of Education Gifted Office, Catalyst School - Circle Rock, Chopin School, Galileo Scholastic Academy, Hendricks Academy, King College Prep High School, LaSalle Language Academy, Leland Elementary School, Manierre Elementary, Newberry Math and Science Academy, North Kenwood/Oakland Charter School, Piccolo Elementary School, Skinner North, South Loop Elementary School.

Chicago Private Schools: Chicago Grammar School, Daystar School, Francis Xavier Warde School, Latin School of Chicago, Santa Lucia School

Non-Chicago Public Schools: Beye Elementary School, Grant-White Elementary, Hillside School District 93, Holmes Elementary School, Lincoln School, Longfellow Elementary School, Maywood School District 89

Non-Chicago Private Schools: Grace Lutheran School, Mosaic Montessori Academy, St. Giles School

BOSTON SYMPHONY ORCHESTRA: 58 Partnerships in Massachusetts' First Congressional District



Between 2008-2011, the Boston Symphony Orchestra (BSO) provided classes, public programs, tours and resources to well over 300 educational, community, cultural, services, and corporate organizations. The map above shows the wide range of organizations that participated in the BSO and Tanglewood Music Center's educational services in MA-01.

Civic Organization: Pittsfield Chamber of Commerce **Colleges/Universities:** Berkshire Community College, Massachusetts College of Liberal Arts **Community Service Organizations:** Berkshire County Kid's Place, Berkshire South Regional Community Center, Community Outreach Morningside, Gladys Allen Brigham Community Center, Literacy Volunteers of the Berkshires, Massachusetts Mentors Network Pittsfield, Pediatric Development Center, Pittsfield Learning Center, YMCA Youth and Parents Pittsfield **Cultural Organizations:** Berkshire Botanical Garden, Berkshire Hills Music Academy, Berkshire Museum, Berkshire Music School, Music Together/Lenox Community Center, Pittsfield Community Television **Faith-Based Groups:** Christian Center, Greater Grace of the Berkshires, Hevreh of South Berkshire, Jewish Federation, Knesset Israel, Saint James Church, Sinai Academy **Social Service Organizations:** Berkshire Children and Families, Big Brothers and Big Sisters of Berkshire County, BMC Baby and Me Program, Kripalu Center **Schools (K-12):** Allendale School, BAiT Charter School, Berkshire Christian School, Berkshire Country Day School, Capeless Elementary School, Conte Community School, Crosby Community School, Egremont Elementary School, Greylock Elementary, Herberg Middle School, Hillcrest Educational Center, Lee High School, Lee Middle School, Miss Hall's School, Monument Valley High School, Monument Valley Middle School, Morningside Community School, Muddy Brook Elementary School, Pittsfield High School, Pittsfield Public Schools Administration Offices, Reid Middle School, St Agnes Academy, St Joseph Central High School, St Mary's School, Stearns Elementary School, Taconic High School, Williams Elementary School **Youth Group:** Lee Youth Association