

[INSERT ORGANIZATION LETTERHEAD]

FOR IMMEDIATE RELEASE
[DATE]

CONTACT: [NAME]
[PHONE NUMBER]
[EMAIL ADDRESS]

TAMPER WITH THE CHARITABLE DEDUCTION AND COMMUNITIES LOSE

Century-Old Tradition to Encourage Giving Faces Urgent Threat as Lawmakers Take on Tax Reform

[INSERT DATELINE] – As the tax reform debate heats up in Washington, D.C., a 100-year-old tradition that encourages charitable giving faces an urgent threat, says [INSERT ORGANIZATION NAME]. Federal lawmakers are seriously considering tampering with the charitable tax deduction, which would have devastating consequences for millions of people in need and communities that rely on the support of charitable giving.

Various proposals on the table would reduce the value of the charitable deduction, resulting in the loss of billions of dollars in donations and impeding the important work of nonprofits throughout the country. [INSERT ORGANIZATION] is a member of the [Charitable Giving Coalition](#), a group of more than 60 nonprofits, foundations and charitable organizations unified like never before to protect charitable giving in America.

“With a growing demand for vital community services and fewer resources to get the job done, now is not the time to unravel incentives that support the crucial work of nonprofits in our communities,” said [INSERT NAME, TITLE OF ORGANIZATION SPOKESPERSON]. “Let’s be clear – the charitable deduction is not about the donors. It’s about what donors’ dollars do to aid the most vulnerable, educate, heal, nurture and innovate—often in ways that government and the private sector cannot.”

[INSERT ORGANIZATION] and the Coalition are making a strong case to elected leaders in Washington, D.C. that the charitable deduction is a lifeline for thriving communities and an independent nonprofit sector that serves millions of people every day. Estimates show that for every dollar subject to the deduction, the public typically receives \$3 of benefit. It’s unlikely government could find a more effective way to leverage private investment in community services. Nonprofits also generate \$1.1 trillion every year for important human services and employ about one in 10 American workers—providing approximately 13.7 million jobs and roughly 9 percent of wages paid in the U.S.

[INSERT LOCAL EXAMPLE/DATA REGARDING IMPACT OF YOUR ORGANIZATION/NONPROFITS IN SERVING COMMUNITY NEEDS – TYPES OF SERVICES/ISSUES ADDRESSED, NUMBER OF PEOPLE SERVED. IF THERE IS NO DATA AVAILABLE, CONSIDER INCLUDING ONE OR MORE EXAMPLES BELOW.]

For example, the Association of Gospel Rescue Missions (AGRM), North America’s oldest and largest network of independent, faith-based crisis shelters and rehabilitation centers, works with those who have been ravaged by abuse, imprisoned by addiction, or set adrift because of mental illness. These organizations would be forced to cut back or eliminate services that feed, shelter, rehabilitate, counsel and train if incentives to give are stripped away. Every year, AGRM-member missions:

- Provide approximately 50 million meals.
- Make available 25 million nights of lodging.
- Distribute more than 30 million articles of clothing.
- Graduate some 20,000 people from addiction recovery programs.

Throughout America, some 1,200 United Ways employ more than 9,300 people and help mobilize 2.87 million volunteers each year, providing critical services for up to 52 million people in need. Conservative estimates indicate that limiting the charitable tax deduction could reduce giving by a

minimum of 2.5 percent for United Way. That translates to \$104 million. The result—1.3 million fewer times that United Way could provide job training for an unemployed worker, home care for an elderly citizen, supportive housing for a single mother or a mentor/tutor for an at-risk youth.

United Way Worldwide raises more than \$3.9 billion annually, 95 percent of which is through private donations. Seventy-two percent of funds raised - more than \$2.8 billion - comes from individual donors. Of that, more than two-thirds (68 percent) comes from those earning less than \$100,000 per year.

Since 1917, our tax code has recognized the value and fairness of the charitable deduction. Charitable donations benefit the people and communities that are served by charities and the philanthropic sector, and provide critical support to the most vulnerable among us. By allowing those who give so generously to claim a deduction at the same rate at which taxes are paid, our long-standing tax policy has ensured that such gifts are not subject to additional tax. Fairness requires that charitable donors not be taxed on money donors do not have, and on income they do not retain.

According to a new report issued by Giving USA, those who itemized their charitable contributions made up 81 percent of the total estimate (nearly \$229 billion) of giving by individuals in 2012. If lawmakers reduce the value of the deduction, other research shows that billions in donations would be lost each year and vital services and jobs could be cut or eliminated.

For example, according to one estimate, a charitable deduction cap proposed by President Obama could cost charities as much as \$5.6 billion a year in contributions. That is the equivalent of more than the annual operating budgets of Red Cross, Goodwill, the YMCA, Habitat for Humanity, the Boys and Girls Clubs, Catholic Charities and the American Cancer Society combined.

[INSERT LOCAL DATA IF AVAILABLE OR CONSIDER THE FOLLOWING EXAMPLE] Michigan is already seeing how changes in tax policy can hurt charitable giving and vital nonprofit services. Earlier this year, the state enacted a set of new tax laws, including the removal of a tax credit for charitable contributions. Donations to many nonprofits are down significantly. According to the Council of Michigan Foundations, donations are down 28 percent overall for community foundations across the state and the decline is expected to be worse in the wake of the new law.

Americans understand the value and impact of the charitable deduction. According to a United Way Worldwide survey, nearly 80 percent of Americans believe reducing or eliminating the charitable tax deduction would have a negative impact on charities and the people they serve. Of those who indicate they would reduce charitable giving, the majority (62 percent) would have to decrease their contributions by 25 percent or more. Two out of every three Americans (67 percent) are opposed to reducing the charitable tax deduction.

As the tax reform debate continues, [INSERT ORGANIZATION] plans to be active in making sure lawmakers understand what is at stake for communities and charitable giving, including through TaxReform.gov and a Twitter page – [@simplertaxes](https://twitter.com/simplertaxes) – two online resources launched by lawmakers to solicit input on the issue. Charity and foundation leaders are also sharing with lawmakers an [infographic](#) illustrating the ripple effects of the charitable sector at work in communities every day.

“Given the tremendous needs in our communities, we simply can’t afford to weaken a 100-year-old American tradition that encourages giving,” [INSERT NAME, TITLE OF ORGANIZATION SPOKESPERSON]. “We are committed to working with elected officials to identify the best ways to protect the unique value of the charitable deduction.”

###

[INSERT ORGANIZATION BOILERPLATE]

The Charitable Giving Coalition

Formed in 2009, the Coalition is a broad cross-section of nonprofit organizations across the country, including both the nonprofit organizations themselves and the associations and umbrella groups that serve their needs. The coalition is dedicated to preserving the charitable giving incentive that ensures that our nation's charities receive the funds necessary to fulfill their essential philanthropic missions. The coalition provides a unique and unified voice on Capitol Hill on issues affecting the charitable deduction, a voice composed of both direct lobbying and robust grassroots advocacy.