



*Protecting America's Strong Tradition of Giving*

April 12, 2016

The Honorable John Thune  
U.S. Senate  
511 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
U.S. Senate  
221 Dirksen Senate Office Building  
Washington, DC 20510

Dear Senators Thune and Wyden:

On behalf of the Charitable Giving Coalition, a diverse group representing public charities, private and community foundations and their grantees, as well as nonprofit organizations and the associations and umbrella groups that serve their needs, we would like to thank you for publicly recognizing the value of the charitable deduction in your Sense of the Senate language contained in the Charities Helping Americans Regularly Throughout the Year (CHARITY) Act (S.2750) that expresses the importance of not diminishing the full scope and value of the charitable deduction during the upcoming tax reform efforts. This Sense of the Senate acknowledges that the charitable deduction is different than other itemized deductions in that it encourages individuals to give away a portion of their income to those in need, and the CHARITY Act signifies Congress' strong support of our vibrant charitable sector.

The charitable deduction rewards a selfless act and ensures a greater amount of charitable donations to charities to fund their philanthropic missions that provide innumerable benefits throughout our communities. A calculation of the deduction suggests that those in need receive \$2.50 of benefit for every \$1 of tax benefit going to the donor. In 2014, Americans gave over \$358 billion (the highest total ever recorded over the past 60 years) to support charitable causes according to *Giving USA*, much of which is claimed as a charitable tax deduction.

Furthermore, nonprofit organizations that rely on charitable gifts to provide valuable services to communities have a powerful impact on the American economy. These organizations generate \$1.1 trillion every year in the form of jobs and services. One in 10 U.S. workers is employed by the nonprofit sector, which provides 13.7 million jobs. Employees of nonprofit

organizations received roughly nine percent of wages paid in the U.S., and the nonprofit sector paid \$587.7 billion in wages and benefits.

Limiting the value of the charitable deduction would inhibit the ability of charities to serve individuals and communities across the country. As charities struggle to raise additional funds to meet increased demands for their services, we ought to encourage Americans to be more generous, not send a signal that giving is less important.

We again thank you for your support of the charitable sector and the invaluable deduction that spurs giving. We look forward to working with you and your staff on this important issue as tax reform continues to take shape.

Sincerely,

Association of Fundraising Professionals, Chair  
Agudath Israel of America  
Alliance for Charitable Reform  
Alliance for Strong Families and Communities  
American Alliance of Museums  
American Institute for Cancer Research  
American Jewish Committee  
American Red Cross  
American Society of Association Executives  
Americans for the Arts  
Americans for the Arts Action Fund  
Association of Art Museum Directors  
Association of Christian Schools International  
Association of Direct Response Fundraising Counsel  
Children's Hospital Association  
Community Foundation Public Awareness Initiative  
Council for Advancement and Support of Education  
Council for American Private Education  
Council for Christian Colleges & Universities  
Council on Foundations  
Dance/USA  
DMA Nonprofit Federation  
Dunham+Company  
Evangelical Council for Financial Accountability  
The Field Museum  
Forum of Regional Associations of Grantmakers  
Girl Scouts of the USA  
The Giving Institute  
Goodwill Industries International  
Independent Sector

Jewish Federations of North America  
Leadership 18  
LeadingAge  
League of American Orchestras  
National Association of Independent Schools  
National Christian Foundation  
National Council for Behavioral Health  
OPERA America  
Partnership for Philanthropic Planning  
Philanthropy Ohio  
The Philanthropy Roundtable  
Saint Louis Zoo  
The Salvation Army National Headquarters  
Theatre Communications Group  
United Way Worldwide  
YMCA of the USA  
Volunteers of America