

August 7, 2014

Open letter to all Senators:

As you return home this week, you will undoubtedly speak with your constituents and visit important community institutions, like hospitals, libraries, universities, parks, food banks, and summer camps. As you do, I ask you to remember that all of these establishments benefit from private charitable giving—without which, vital services to your constituents will be lost.

When you return to Washington, D.C. in September, you will have a unique opportunity to support your state by enacting measures that encourage giving by both individuals and private foundations to these important pillars of your community. **I strongly urge you to ask Senate leadership to bring the *America Gives More Act (H.R. 4719)* to a floor vote in September and to vote in favor of this important legislation.**

The *America Gives More Act* takes an important step forward to enhance foundation support for our communities. Passed by a strong bipartisan majority of the House of Representatives on July 17, the Act will make permanent several tax policies that have proven successful in increasing community investment: the IRA charitable rollover; the enhanced deduction for food inventory donations; and the enhanced deduction for donations of conservation easements.

As you visit with constituents, you will notice the overwhelming benefits of charitable giving in your state, made stronger by these important tax provisions. The IRA charitable rollover encourages individuals to donate retirement account assets directly to a public charity without incurring a tax liability on the donation. Rollover donations help countless public charities to fulfill their charitable purposes. Among the beneficiaries, your local community foundations manage these rollover gifts and invest them in projects you see every day—from the new center at the local hospital or the new college scholarship program to the preservation of a historic community landmark and community development centers.

The enhanced deduction for donations of food inventory allows individuals or businesses to receive an increased tax deduction when they donate food to charities, such as food banks, that serve those who are most in need.

The enhanced deduction for land conservation easement donations incentivizes landowners to preserve the natural resources on their properties. This provision helps landowners afford to choose conservation over development of some of our country's richest and most scenic land.

Making these provisions permanent will eliminate the tremendous uncertainty caused by frequent lapses and subsequent extensions. For food contributions, it's simple – fresh food is perishable, and uncertainty is the spoiler. IRA rollover contributions and conservation easement donations are both transactions that require time and planning. The practice of extending these provisions at the eleventh hour – or later – chills these charitable activities. With certainty, donors can plan in advance and contributions will increase.

The *America Gives More Act* also simplifies the private foundation excise tax to a single rate. This measure will lift an administrative burden that creates a perverse incentive for private foundations to give less, not more, in times of need. When foundations want to increase their giving for unanticipated grants, such as the Hurricane Sandy relief efforts or grants to help communities devastated by gun violence, they could be penalized with a higher tax burden. Simplifying this complex tax will free up foundations to invest less resources in tax compliance and more in communities in your state.

In today's economy, when so many are doing more with less, we should ensure that philanthropic investments aren't constrained by outdated tax policies.

The Council on Foundations, which represents a diverse and large range of private, community and corporate foundations throughout the country, urges you to consider the vital investments that foundations make in your state, and we urge you to voice your support for the *America Gives More Act*. Your community depends upon it.

Sincerely,

A handwritten signature in black ink, appearing to read "Vikki Spruill". The signature is written in a cursive, flowing style.

Vikki Spruill
President and CEO