

CHARITABLE GIVING IN AMERICA

VITAL TO THRIVING COMMUNITIES

Congress threatens to eliminate the charitable deduction as we know it - at the expense of millions of people in need.

The Charitable Ecosystem is brought to you by: The Charitable Giving Coalition

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"Elected leaders may believe the charitable deduction is an easy mark ... But the charitable deduction is different than other itemized deductions. It encourages giving, rewards a selfless act, and helps raise more for charities than would have otherwise been possible."

- Brian Gallagher, president and CEO, United Way Worldwide and Father Larry Snyder, president, Catholic Charities USA

U.S. GENEROSITY: A NATIONAL RESOURCE

↑ A 100 year tradition!

THE POWER OF THE CHARITABLE DEDUCTION



For every \$1 subject to the charitable deduction, communities reap up to \$3 in benefits. It's unlikely government could find a more effective way to leverage private investment in vital community services.

WHAT'S AT STAKE?

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- Nonprofits provide **10% of America's workforce:** 13.5 million jobs
- Nonprofits generate \$1.1 trillion every year through human services
- Nonprofits account for 5.4 percent of the GDP and 9 percent of all wages paid

THIS DIVERSE SECTOR SUPPORTS:

- Development of medications and better health care
- Educational opportunities and community revitalization
- Technologies such as the MRI, electron microscope and pacemaker
- Housing and shelter for disaster relief and the needy
- Arts and cultural activities
- Protection of the environment
- And thousands of other programs that enrich American communities

67% oppose eliminating or reducing the charitable tax deduction.*



79%

of donors say eliminating or reducing the charitable tax deduction would have a negative impact on charities and the people they serve.*

74% of Americans report giving to charity each year.*



You may wonder, how much is \$5.6 BILLION?



50 MILLION

These seven organizations combined serve more than 50 million people each year.

ON

OFF

Up to \$5.6 billion is the amount charities and the millions they serve stand to lose if limits are placed on the charitable deduction. That equals the entire budgets of these organizations combined:

1. The American Red Cross
2. Goodwill Industries International, Inc.
3. YMCA of the USA
4. Habitat for Humanity
5. Boys & Girls Clubs of America
6. Catholic Charities USA
7. American Cancer Society

THE MESSAGE IS CLEAR:

AMERICANS WANT TO PROTECT THE CHARITABLE DEDUCTION

*United Way Worldwide National Survey 2012

PEOPLE IN THE KNOW . . . KNOW THE VALUE OF GIVING

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"There has been a charitable deduction in the tax code for nearly a century, and the proposals on the table would undo it. This is not the area for experimentation by the federal government. Our charitable sector is just recovering from the steep drop in contributions that followed the 2008 stock market meltdown. Charities today face the prospect of enduring another recession that will again put downward pressure on charitable giving. This is not the time to reduce the charitable deduction and further suppress the incentive to give."

- Sen. Orrin Hatch (R-UT),
Ranking Member, Senate Finance Committee

"... [the] charitable [deduction] is the one where you choose where the money goes and the government is sort of adding power to your choices. So it's strengthening all of these institutions... the churches and the research institutions, the universities. And these are all the institutions of civil society that stand between the government and the individual."

- Charles Krauthammer, Syndicated Columnist

"The question is why would we want to put an impediment in the way of the charities accessing funding when the charities are the ones out there helping the people in need right now? It doesn't make sense."

- Rep. Eric Cantor (R-VA),
House Majority Leader

"For nearly a century, the charitable contribution has created an expectation of a deeper relationship between the American people and the government, and has provided vital support for our communities through philanthropy."

- Linda Reed, President, The Montana Community Foundation
and Liz Moore, Executive Director, Montana
Nonprofit Association

"Simply putting a hard ceiling on deductions could have disastrous consequences for charity..."

- Larry Summers, Former Treasury Secretary
and Obama Economic Advisor

"In the case of the charitable deduction, one has to keep in mind that the recipients of the contributions include universities, hospitals, churches and soup kitchens that provide critical services to working families."

- Rep. Sandy Levin (D-MI), Ranking Member,
House Ways and Means Committee

