

Dear Members of the 115<sup>th</sup> Congress:

On behalf of the hundreds of foundations, from every state in the union, that are members of the Council on Foundations, I am writing to extend my welcome and congratulations to you as a member of the 115<sup>th</sup> Congress. Philanthropy, and the work of foundations across the country, is a tremendously important element in the success of our civil society. The fundamental purpose of our sector is to provide leadership in identifying solutions to a wide range of the most persistent issues in our communities and connect charitable resources to the organizations that work tirelessly to implement those solutions.

Philanthropy is the backbone of our civil society. The work of our members helps feed the hungry, shelter the homeless, and care for the sick. It also pushes us to challenge established thinking and the status quo of today by supporting research and convening the thinkers who will define tomorrow's truths and realities. It is the embodiment of the American ethos: supporting your community and those in need by contributing your resources, expertise, and abilities to help our nation rise to its best.

With the groundwork already being laid for tax reform, I hope you will work with us to consider how certain tax policies would impact foundations' ability to serve and strengthen our communities across the country. Our government relations team is working diligently to engage with your staff on these policies and connect them with philanthropic leaders from your communities.

Several issues in particular have the potential to significantly impact philanthropy in positive and negative ways: preservation of the full scope and value of the charitable deduction, simplification of the private foundation excise tax, and maintenance and expansion of the ability to organize charitable giving through donor advised funds.

The charitable deduction was established 100 years ago to acknowledge and encourage the American tradition of private giving to serve and strengthen our communities. This deduction is the cornerstone of our nation's philanthropy that funds the charitable organizations working to address some of the most pervasive issues of our day. According to the Urban-Brookings Tax Policy Center, past proposals to alter the scope and value of the charitable deduction could decrease charitable giving by as much as 14 percent.

With regard to the private foundation excise tax, the tedious two-tier structure creates a disincentive for foundations to increase giving for unanticipated situations (such as natural disasters). Donor advised funds are a unique type of charitable giving tool that allows individuals and their families to remain engaged in their communities and the issues they are passionate about beyond a one-time donation.

Each of these issues plays a critical role in the health of a vibrant and effective philanthropic sector.

Thank you for your consideration. We look forward to working with you and your staff in the 115<sup>th</sup> Congress.

Sincerely,



Vikki Spruill  
President & CEO, Council on Foundations