



February 8, 2021

The Honorable Ron Wyden
Chair
Committee on Finance
U.S. Senate
Washington D.C. 20510

The Honorable Richard Neal
Chair
Committee on Ways & Means
U.S. House of Representatives
Washington D.C. 205015

The Honorable Mike Crapo
Ranking Member
Committee on Finance
U.S. Senate
Washington D.C. 20510

The Honorable Kevin Brady
Ranking Member
Committee on Ways & Means
U.S. House of Representatives
Washington D.C. 205015

Dear Chairman Wyden, Chairman Neal, Ranking Member Crapo, Ranking Member Brady:

As the COVID-19 crisis ravages our communities, the philanthropic sector is continuing to respond to the needs of families, communities, and the nonprofit sector.

The Council on Foundations (the Council) is a nonprofit leadership organization of nearly 800 grantmaking foundations and corporations. As a national voice of philanthropy, the Council works to foster an environment in which philanthropy is a trusted partner in advancing the greater good.

The pandemic's impact on nearly every aspect of our lives is undeniable. In response, philanthropy has responded, providing more than [\\$11 billion in grants](#) to help fight the pandemic and support nonprofits. Moving forward, foundations will continue to support the critical work of nonprofits; help to address racial, economic, and social inequities; fuel innovation; fund critical research; provide needed resources when disasters strike; and so much more.

Although Congress provided necessary relief at the end of 2020, more is needed to address the needs facing families, workers, and communities. As Congress and the White House consider new legislation to respond to the ongoing COVID-19 crises, the Council urges you to prioritize policies that help struggling communities. Specifically, the Council asks that Congress:

- **Encourage Charitable Giving.** Last year, Congress passed a temporary non-itemizer tax deduction to encourage charitable giving and increased the annual limit on deductions for those individuals who itemize up to 100 percent of adjusted gross income for qualifying charitable gifts. While this was an important step, more is needed. The Council supports further increasing the charitable deduction for non-itemizers, maintaining changes to the itemized charitable deduction, and extending these provisions at least until 2022.
- **Recognize All Charitable Vehicles.** The recent changes to the temporary charitable deductions excluded contributions to donor advised funds (DAFs) and supporting organizations (SOs). This exclusion limits donors' flexibility when making their charitable gifts just as charities need additional funding to keep their operations going and respond to the unprecedented demand for their services. The Council urges Congress to ensure all charitable vehicles, including those that have long provided vital, flexible resources to

their communities, are available to donors and that all donors are recognized for their charitable contributions at this critical time.

- **Expand Nonprofit Access to Relief and Support.** Given the critical role of nonprofits in our nation's pandemic response, we must ensure they have the resources and support needed to continue to employ staff, fulfill their missions, and meet the ongoing needs of their communities. The Council encourages Congress to use all available tools, including expanding eligibility of the Paycheck Protection Program (PPP) to all nonprofits including larger nonprofits, as well as provide additional grant funding, loan forgiveness, and tax credits that reflect the specific needs of the nonprofit sector.
- **Increase Aid to State, Local, and Tribal Governments.** The Council supports providing additional funding for states, local, and Tribal governments to maintain critical services and address the devastation this crisis has inflicted.

Throughout the pandemic, we have seen foundations step up in response to the needs of the nonprofits and communities they serve. As Congress considers additional legislation, the Council respectfully asks that you consider the priorities outlined above. If you have any questions or would like more information, please contact Jenn Holcomb, Director of Government Affairs (jenn.holcomb@cof.org).

Sincerely,



Kathleen P. Enright

President and CEO, Council on Foundations