



## Why Enact a Universal Charitable Deduction?

Americans gave a total of **\$373.25 billion** to charity in 2015.<sup>1</sup> U.S. foundations gave a total of \$58.46 billion in 2015—approximately 16% of total charitable giving by all sources.

The combined effects of increasing the standard deduction and decreasing marginal tax rates would **decrease charitable giving by an estimated \$13.1 billion.**<sup>2</sup>

### What is \$13.1 billion?

Roughly **144 billion meals** for people facing hunger.<sup>3</sup>

OR

**131 million days of child care** for military mothers.<sup>4</sup>

OR

The **combined total charitable contributions received** by United Way, Feeding America, Catholic Charities, Salvation Army, YMCA, Boys & Girls Club, Habitat for Humanity, and American Cancer Society.<sup>5</sup>

**Giving to religious congregations is just as sensitive** to proposed tax code changes as secular giving, and would be more significantly impacted by the combined effects of these changes than secular giving (a decrease in giving of 4.7% versus 4.4% for secular organizations).

### The Solution:

To mitigate unintended negative consequences of tax reform on charitable giving in communities across the country, **Congress should enact a universal charitable deduction**—making the charitable deduction available to all taxpayers, whether they itemize or not.

Extending the charitable deduction to all taxpayers—regardless of whether they itemize or take the standard deduction—would not only cancel out the negative effects on giving, but it would **increase charitable dollars going to strengthen and build communities by \$4.8 billion.**

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<sup>1</sup> *Giving USA 2016* ([www.givinginstitute.org/?page=GUSAAnnualReport](http://www.givinginstitute.org/?page=GUSAAnnualReport)).

<sup>2</sup> *Tax Policy and Charitable Giving Results*, May 2017. Study by Lilly Family School of Philanthropy at Indiana University; Commissioned by Independent Sector.

<sup>3</sup> For every dollar donated, the Feeding America network of food banks secures and distributes 11 meals to people facing hunger ([www.feedingamerica.org/donate](http://www.feedingamerica.org/donate)).

<sup>4</sup> For every \$100 donated, the Armed Services YMCA is able to provide a military mother one day of respite child care ([www.asymca.org/donate](http://www.asymca.org/donate)).

<sup>5</sup> "Philanthropy 400 Report, 2016," *Chronicle of Philanthropy*.