

# THE CHARITABLE GIVING COALITION

## *Protecting America's Strong Tradition of Giving*

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### **What is the Charitable Giving Coalition?**

Formed in 2009, the Charitable Giving Coalition is dedicated to preserving a century-old American tradition that provides a tax deduction for taxpayers who give to charities. The coalition's members represent a unified voice to raise awareness among lawmakers in Washington, D.C. about the value of the charitable deduction and its impact throughout America in providing essential community services.

The coalition is represents diverse nonprofit, charitable and other organizations serving millions of people. Members include the Council on Foundations, United Way Worldwide, Catholic Charities USA, the American Red Cross, the American Institute for Cancer Research, Jewish Federations of North America, the Association of Fundraising Professionals, Independent Sector and The Philanthropy Roundtable and more. *(See reverse side for all members.)*

### **What's different about the charitable deduction?**

The charitable deduction is a vital and unique incentive that encourages individuals to give away a portion of their income without getting anything back. For every \$1 subject to the charitable deduction, communities receive \$3 in benefits. It's unlikely government could find a better way to leverage private investment in community services.

### **What's at stake?**

Providing tax incentives that encourage giving through charitable donations helps create jobs, improve education and health care, protect the environment, aid the most vulnerable and more. The philanthropic sector's role as an investor in innovation and supporter of safety net services is more important than ever for a faster, sustainable economic recovery. This is particularly true as local, state and federal budgets and nonprofits continue to suffer the consequences of America's recession – increased demand for services with significantly fewer resources to get the job done.

Leaders on all sides recognize the value of the charitable sector. At the same time, they are facing tough decisions about how to address our fiscal challenges. In its "fiscal cliff" negotiations, Congress already placed a limitation on deductions through the Pease amendment.

Now, federal lawmakers are considering whether to retain, modify or eliminate the charitable deduction, which will have a devastating impact on charities and nonprofits. If donors have less incentive to give to charities – donations decline. The Coalition is working to avert any further caps or limits that would unravel charitable giving and inform policymakers and the American people about what is at stake if proposals to reduce the value charitable deduction are enacted. Now is not the time to dismantle this vital incentive that supports the crucial work of the nonprofit sector.

### **Why do Americans value the role and impact of the charitable deduction?**

Research shows there is strong and growing support for America's tradition of giving. According to the United Way:

- 79 percent believe reducing or eliminating the charitable tax deduction would have a negative impact on charities and the people they serve.
- 62 percent indicate they would have to reduce their contributions by a significant amount – by 25 percent or more.
- Two out of every three Americans (67 percent) are opposed to reducing the charitable tax deduction.

According to Dunham + Company:

75 percent of Americans say they value the charitable deduction as it currently stands.

The result of capping the charitable deduction would mean the loss of billions of dollars, which would impede the important work that nonprofits do for the millions of Americans who rely on them, as well as threaten the jobs that the sector provides. Consider:

- Nonprofits generate \$1.1 trillion every year for important human services.
- One in 10 Americans work for a nonprofit—providing 13.5 million jobs.

- Nonprofits account for 5.4 percent of the Gross Domestic Product and 9 percent of all wages paid.
- The sector is incredibly diverse, supporting efforts to:
  - Developing technology and medications to improve our health, like insulin, the polio vaccine, the MRI, electron microscope and pacemaker
  - Providing educational opportunities and access to health services
  - Ensuring housing and shelter for the most vulnerable
  - Enhancing the arts and cultural activities
  - Conserving wetlands and protecting the environment
  - Protecting civil and voting rights
  - Preserving historic treasures
- Charitable giving has a more significant economic impact in America’s communities than previously understood. New research from the Philanthropic Collaborative reveals the “ripple effect” of foundation grantmaking supports millions of jobs and billions of dollars in economic growth that extends for generations.

**How can I join the coalition or support its advocacy efforts?**

To join the Charitable Giving Coalition or support its activities, contact [info@protectgiving.org](mailto:info@protectgiving.org). Members include:

Association of Fundraising Professionals	Eberlee Communications
Alliance for Charitable Reform	Educational Media Foundation
Alliance for Children and Families	ECFA
Alliance of Nonprofit Mailers	Forum of Regional Associations of Grantmakers
American Alliance of Museums	Girl Scouts of the USA
American Council on Gift Annuities	Goodwill Industries International, Inc.
American Continental Group	Independent Sector
American Institute for Cancer Research	Jewish Federations of North America
American Red Cross	Land Trust Alliance
American Society of Association Executives (ASAE)	Leadership 18
Americans for the Arts	League of American Orchestras
Association for Healthcare Philanthropy	Lutheran Services in America
Association of Art Museum Directors	Mental Health America
Association of Christian Schools International	National Association of College and University Business Officers
Association of Direct Response Fundraising Counsel	National Association of Independent Schools
Association of Gospel Rescue Missions	National Catholic Development Conference
Big Brothers Big Sisters of America	National Council on Aging
Blackbaud	National Council for Behavioral Health Care
Boys & Girls Clubs of America	National Human Services Assembly
Catholic Charities USA	OPERA America
CDR Fundraising Group	Partnership for Philanthropic Planning
Council for Advancement and Support of Education	The Philanthropy Roundtable
Council for American Private Education	The Salvation Army
Council on Foundations	Theatre Communications Group
Dance/USA	United Neighborhood Centers of America
DMA Nonprofit Federation	United Way Worldwide
DMW Direct	Volunteers of America
Dunham+Company	Webster, Chamberlain & Bean, LLP
Easter Seals	YMCA of the USA