SENATOR JAMES BOYLE SUBMITS BILL TO PRESERVE CHARITABLE GIVING

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By Brenda Peluso

As we’ve been reporting, a $27,500 cap on all itemized deductions, including the mortgage interest deduction and the charitable giving deduction, retroactive to January 2, 2013, was passed by the Maine Legislature last session.

We have been working with several concerned legislators and are pleased to announce that Senator James Boyle (Gorham, Scarborough, Westbrook) has introduced a bill that will carve the charitable giving deduction out of the overall cap. While donors do not make charitable gifts solely for tax reasons, tax incentives do make more and larger gifts possible. This “carve-out” will preserve the tax incentive Maine residents have for giving to charity at a time when the demand for services is increasing, while the resources to provide those services are not.

This bill faces an uphill battle and its first hurdle will be in front of the Legislative Council whose job it is to ensure that only bills of an emergency nature are accepted for consideration during the second and shorter session of the Legislature. We believe the harm the itemized deduction cap will cause to the nonprofit sector qualifies this “carve out” as an emergency bill.

We will know if the Legislative Council agrees by mid-November. If you would like to be added to our “interested parties” e-mail list, please contact Brenda Peluso via e-mail.

http://www.nonprofitmaine.org/blog/senator-james-boyle-submits-bill-preserve-charitable-giving/