



November 7, 2011

The Honorable Patty Murray
United States Senate
Washington, DC 20510

RE: Protect the Charitable Giving Incentive

Dear Senator Murray:

Northwest Nonprofit Resources is honored to be among the dozens of Washington nonprofit organizations and more than 3,500 nationally that have signed onto the attached nonprofit community letter expressing the need for and the importance of the charitable giving incentive for individuals. Collectively, the signing nonprofits employ millions of Americans and serve tens of millions in our local communities. In this letter to you and your colleagues on the Joint Select Committee on Deficit Reduction, we urge your full support for the giving incentives in federal tax law so that charitable contributions can continue to support vital programs and services throughout Washington. Specifically, we ask that the deficit reduction committee include in any tax reform instructions a clear, express statement that the charitable giving incentive shall not be weakened.

The challenges before the Joint Select Committee and our Nation are enormous, and the nonprofit community, as always, is ready to serve as an essential partner with government. Indeed, nonprofit organizations throughout Washington and the United States work every day to improve lives, strengthen communities and the economy, and lighten the burdens of government, taxpayers, and society as a whole. Nonprofits employ more than 13 million individuals nationally and contribute more than five percent to the Gross Domestic Product of the United States. In Washington alone, we employ more than 174,300 people and generate approximately \$36 billion in annual revenue each year.

We recognize that the Joint Select Committee may adopt cuts and reforms that could further undermine the ability of nonprofits to deliver programs and services in our local communities, much less to expand them to meet the increased needs resulting from the lagging economy and

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policy choices being made at all levels of government. The attached letter makes clear that under these conditions, nonprofits may not merely be the next place for people in need to turn; we are likely their only place to turn. The charitable giving incentive is a critical tool by which nonprofit organizations are able to secure the resources needed to fill any gaps that are created and to expand to meet the growing needs.

Northwest Nonprofit Resources joins with the more than 3,500 nonprofits nationally in asking you and your colleagues in Congress to “avoid endangering the ability of nonprofits to serve your constituents and our communities by making a clear statement in support of the charitable deduction and in opposition to proposals to reduce or cap the value of deductions for charitable contributions.” We also ask you to consider the heartfelt comments from frontline nonprofits about the impact that changes to the charitable giving incentive would have on our communities:

- "Nonprofit organizations play a vital role in our communities. Contributions are the backbone of our funding; surely Congress can think of other ways to address the budget issues besides removing the tax incentives for contributions. The doors to many nonprofits will be closed if we lose this incentive - I don't think the public sector will fill in the funding gap." *Support for Early Learning & Families, Vancouver, WA*
- "Our youth programs provide prevention options in the battle against gang involvement in our community. These programs are funded by local donors. Limiting their capacity to give to activities that positively impact youth will limit our ability to provide youth activities. Please don't reduce our ability to impact Yakima through vital services that government does not provide. Reducing charitable giving will impact services." *Yakima Family YMCA, Yakima, WA*

As you can see, the employees and volunteers working at nonprofits every day for the common good in communities in our state and across the country are not focused on the nuances, theories, or experiments that Congress may be considering. Rather, they are concerned with how they will meet a growing demand for their services and programs under increasingly difficult economic and public policy challenges. We ask that you send a clear signal to the millions of people served by, working for, and donating to the nonprofit community in Washington that the charitable giving incentive and the programs it supports must be maintained.

Sincerely,



Sandra Gill, Director
Northwest Nonprofit Resources

Attachment: Nonprofit Community Letter

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