



Pennsylvania Association of Nonprofit Organizations

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**PANO Executive Director:
Joseph Geiger, CAE**

November 7, 2011

The Honorable Pat Toomey
United States Senate
Washington, DC 20510

RE: Protect the Charitable Giving Incentive

Dear Senator Toomey:

The Pennsylvania Association of Nonprofit Organizations is honored to be among the more than 60 Pennsylvania 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 Pennsylvania. 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 Pennsylvania 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.

Senator, I know you want to get the responsibilities for government, businesses and community benefit organizations back into their respective buckets. We know that government is not designed to do everything. I know you want what is best for tax payers. I know you understand that people that accumulate wealth and donate to charities can do a better job with their choices than government. Pennsylvania's community benefit organizations invest more than three times the amount of the state budget as they improve quality of life. We need the benefit of charitable contributions to do that.

PANO leads Pennsylvania's Community Benefit Sector to achieve its fullest potential.



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 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.

The Pennsylvania Association of Nonprofit Organizations 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:

- "As government cuts back on services to people in need, the private nonprofit organizations in America are called upon to do more. We will rise to the challenge as best we can, but in order to be successful we need the support of donors. Please don't take away their incentive to contribute to programs that benefit their communities." – *Pennsylvania Association for the Blind, Mechanicsburg, PA*
- "It is important to our fundraising efforts, which sustain this organization, that the monetary gifts given are tax-deductible. Daemion Counseling Center does not receive any government funding." *Daemion Counseling Center, PA*
- "Home Health Care Management is the parent company for several home health care agencies. It is through the generosity of the community and individual donors that we are able to continue our mission of serving patients without regard for their ability to pay. Please do not change the rules about charitable giving and discourage individuals from helping us to help others in the community. Thank you." *Home Health Care Management, Wyomissing, PA*
- "Our organization is 90% funded by charitable giving. Changing the charitable giving tax law would hurt our organization substantially. In the current economic time, individual giving has decreased. We can't afford any additional decrease in giving, if we are to sustain our programming to the blind and low vision residents in Fayette County, PA." *Fayette County Association for the Blind, Uniontown, PA*
- "Our organization has completely lost ALL funding; therefore, fundraising and charitable donations are the only thing keeping our doors open. Our services provide much needed education and support for those living with mental illness and also for their families. Nonprofits fight hard to survive and need all the help we can get." *NAMI Pa Cambria County Affiliate, Johnstown, PA*

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 Pennsylvania that the charitable giving incentive and the programs it supports must be maintained.

Sincerely,



Joe Geiger
Executive Director

Attachment