

**Protect Giving Day**

**November 20, 2013**

**Talking Points**

* **Any limits on the charitable deduction would unleash cascading consequences for America’s communities. Social services, economic development, jobs, health care and education would be hurt.**

The Charitable Giving Coalition, a group of more than 60 nonprofits, foundations and other charitable organizations, is making sure lawmakers have a clear understanding about what's at stake for our communities.

On November 20th, hundreds of front-line nonprofit and charitable sector leaders will meet with elected officials to share their perspectives, including powerful examples about the strength and stability the charitable sector provides to the communities it serves. They will represent a growing chorus of people from throughout America delivering a clear message – “I am the charitable deduction” – and sharing real-life examples of the impact of charitable giving and the ripple effects of the charitable sector at work in our communities every day.

* **A strong economy depends on a thriving philanthropic sector supported by charitable giving.**

As Congress and the Administration turn to important budget and deficit reduction negotiations, including tax reform, lawmakers must remember what the charitable sector makes possible through the support of charitable giving:

* Support for millions of people in need, contributions to local economic growth, and improvements to education, the environment, scientific research, health care, culture and more.
* The generation of more than $1 trillion in economic activity each year through human services.
* One out of every 10 jobs – employing 13.7 million people – and 9 percent of all wages paid in the U.S. – nearly $600 billion per year.

At a time when it’s needed most, we must protect America’s strong giving tradition.

* **America’s nonprofits are finding it harder and harder to do their jobs as demand grows and funding evaporates.**

By necessity and smart planning, nonprofits have diversified their sources of income and are working diligently to do more with less. But they are struggling to keep up:

* According to the Nonprofit Finance Fund, 85 percent of nonprofits experienced higher demand for their services in 2011 and at least 70 percent have seen increased demand since 2008.
* One in 4 nonprofits has 30 days or less cash available.
* For the first time, more than half (52 percent) of nonprofits were unable to meet demand during the last year and expect the same this year.

Any limits to the charitable deduction represent a dangerous game of Jenga that will set off costly and cascading consequences for American communities and severely reduce philanthropic dollars that are essential for America’s charities.

* **Americans support the charitable deduction because it works.**

Charitable giving has been hard-wired into our society for generations. The philanthropic sector has partnered with government to serve the common good by meeting the needs of people in every state and community.

Since 1917, America has recognized the value of the charitable deduction, which has served as the bedrock of our altruistic society and is a model for the world. It must continue as a fundamental tenet of our tax system. Americans understand its value:

* A vast majority of Americans support the charitable deduction as it currently stands and believe reducing or eliminating it would have a negative impact on charities and the people they serve.
* Nearly two-thirds of those who indicate they would curb their giving if the charitable deduction is eliminated or limited would do so by a significant amount – 25 percent or more.
* **The charitable sector is a source of stability and strength in challenging times. The federal government shutdown was a prime example. This vital infrastructure should not be taken for granted.**

While there is a sense of relief throughout America that a bipartisan agreement ended the federal government shutdown, the fallout placed hardships on too many families and communities. When people in need are unable to make ends meet, charities are among the first places they turn to for help – including meals, health services, employment, housing and more.

Charities supported through the generosity of donors were a lifeline during the federal government shutdown and continue to be every day.

* Philanthropists Laura and John Arnold committed $10 million so more than 7,000 children in six states could continue to receive vital Head Start educational services.
* Several charities stepped up to offer to cover death benefits for relatives of military service members when payments were put on hold because of the shutdown.