



April 14, 2020

The Honorable Charles Grassley
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

RE: Charitable Giving Coalition Urges Support for Strengthened Charitable Giving Incentives

Dear Chairman Grassley and Ranking Member Wyden:

On behalf of the Charitable Giving Coalition (CGC), we urge you to support strengthened charitable giving incentives as part of the next emergency COVID-19 response package. The CGC is a coalition of associations representing thousands of charitable and faith-based organizations across the country.

Enhanced charitable giving incentives would encourage all Americans to give more, helping charitable and faith-based organizations continue to provide vital services to families, workers, and communities, especially those critically impacted by the novel coronavirus. As you know, nonprofits are and will remain on the front lines of supporting our communities, including the most vulnerable. In this time of crisis, the demand for such services will increase and a drop in charitable giving is expected.

While we appreciate the inclusion of a temporary, above-the-line universal charitable deduction and temporary suspension of the Adjusted Gross Income limitations on cash gifts in the CARES Act (H.R. 748), Congress should do more to strengthen and expand these incentives so that charitable organizations are able to achieve their missions and support their workforce during these challenging times. The Charitable Giving Coalition urges you to consider:

- **Increasing the \$300 cap on the temporary universal charitable deduction:** The existing cap is too low and, in many cases, will simply capture giving that donors had already planned. A higher cap will stimulate additional giving by encouraging donors to make larger donations to more charitable organizations.
- **Applying the deduction to 2019:** To ensure charities receive immediate relief, Congress should allow all taxpayers (itemizers and non-itemizers) making donations between March 13 (day of national emergency declaration) and July 15 to claim those gifts on their 2019 tax filing.
- **Extending the temporary suspension of AGI limitations and temporary universal charitable deduction beyond 2020:** Extending these important incentives would encourage all Americans to give more as communities work through the aftereffects of the pandemic and address continued needs.
- **Allowing deductibility of gifts to donor-advised funds under temporary suspension of AGI provision:** Further aid would be provided to charities by allowing donors to deduct gifts to donor-advised funds under the temporary suspension of the cash AGI limitation provision. This would make it easier for donors with such funds to make a single gift this year to the fund and support multiple charities out of that gift.

We recognize the challenge the Internal Revenue Service faces in administering these incentives, and we have a shared interest in making sure that these proposals actually result in more resources going to charitable organizations, particularly during these challenging times. We welcome the opportunity to work with you to consider appropriate ways to ensure compliance without diminishing the effectiveness of the incentives.

Again, we urge you to expand and strengthen these charitable giving incentives in future COVID-19 relief packages. Thank you for your leadership and commitment to America's charitable community.

Sincerely,
Charitable Giving Coalition