



*Protecting America's Strong Tradition of Giving*

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**28% CAP ON CHARITABLE DEDUCTIONS IN ADMINISTRATION BUDGET WOULD CAUSE DONATIONS TO DECLINE BY MORE THAN \$9.4 BILLION/YEAR**

*Charitable Giving Coalition Commends Buffett Provision, Which Recognizes the Value of the Charitable Deduction and Should Be Extended to All Tax Brackets*

WASHINGTON, D.C.— The Charitable Giving Coalition (CGC) issued the following statement regarding President Obama's fiscal year (FY) 2015 budget proposal.

*"If the 28 percent cap included in the Administration's FY 2015 Budget were enacted, donations to the nonprofit sector could decline by more than \$9.4 billion per year. That is more than the annual operating budgets of the American Red Cross, Goodwill Industries International, the YMCA of the USA, Habitat for Humanity, the Boys & Girls Clubs of America, Catholic Charities USA, and the American Cancer Society combined. This figure represents billions of dollars that would prevent America's charities from fulfilling their missions and serving our communities and those in need."*

The coalition also commented on the distinctive circumstance surrounding the Buffett Rule, which provides a carve-out for the charitable deduction on a 30 percent tax required for incomes over \$1 million. Unfortunately, this charitable deduction carve-out for the Buffet Rule is also capped. The statement continues:

*"We appreciate that the unique value of the charitable deduction is acknowledged in the Buffett Rule proposed in the FY'15 budget. It preserves the charitable deduction as the only tax expenditure for those earning \$1 million a year or more. We believe this recognizes the importance of the charitable contribution deduction as an important giving incentive and would urge that a similar approach be adopted for other taxpayers as well who would be otherwise subject to the 28 percent cap."*

*The charitable deduction has broad bipartisan support. Earlier this year new Senate Finance Committee Chairman Ron Wyden (D-OR) and Senator John Thune (R-SD) submitted a letter signed by one-third of the Senate publicly calling for the protection of the "full value and scope" of the charitable deduction in any comprehensive tax reform legislation."*

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***The Charitable Giving Coalition***

*Representing private and community foundations, their grantees and independent charities, the Charitable Giving Coalition's members include United Way Worldwide, the Salvation*

*Army, Catholic Charities USA, the American Council on Education, Jewish Federations of North America, the American Institute for Cancer Research, the Association of Fundraising Professionals, Independent Sector, the Council on Foundations, and The Philanthropy Roundtable, among others. Formed in 2009, the coalition is a broad cross-section of nonprofit organizations across the country, including both the nonprofit organizations themselves and the associations and umbrella groups that serve their needs. The coalition is dedicated to preserving the charitable giving incentive that ensures that our nation's charities receive the funds necessary to fulfill their essential philanthropic missions. The coalition provides a unique and unified voice on Capitol Hill on issues affecting the charitable deduction, a voice composed of both direct lobbying and robust grassroots advocacy.*

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