June 8, 2020

The Honorable Mike Lee (R-UT)  The Honorable Don Beyer (D-VA)
Chairman, Joint Economic Committee  Vice Chair, Joint Economic Committee
361-A Russell Senate Office Building  1119 Longworth House Office Building
Washington, DC 20510  Washington, DC 20515

RE: Statement for Joint Economic Committee Hearing “Supporting Charitable Giving During the COVID-19 Crisis”

Dear Chairman Lee and Vice Chair Beyer:

On behalf of the Charitable Giving Coalition (CGC), we thank you for holding a hearing to examine the impact of the COVID-19 crisis on charitable giving. The CGC is a coalition of associations representing thousands of charitable and faith-based organizations across the country working to protect and enhance the value of the charitable deduction.

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 always remain on the front lines supporting our communities, including the most vulnerable. In this time of crisis, the demand for such services has increased and a drop in charitable giving is expected.

We appreciate you including 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 now do more to strengthen and expand these incentives so that charitable organizations are able to achieve their missions and support their workforces during these remarkably challenging times. The Charitable Giving Coalition urges the Senate 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.

- **Allowing new gifts to be deducted on 2019 returns:** To ensure charities receive immediate relief, 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 deduction beyond 2020:** To ensure charities receive relief throughout the crisis and recovery period, extend the universal charitable deduction beyond 2020. Additionally, further aid would be provided to charities by extending the temporary suspension of AGI limitations beyond 2020 and allowing donors to deduct gifts to donor-advised funds.

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 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 strengthen the temporary universal charitable deduction and other giving incentives in the next COVID-19 relief bill. Thank you for your leadership and commitment to America’s charitable community.

Sincerely,
Charitable Giving Coalition