



December 9, 2020

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

The Honorable Chuck Schumer
Democratic Leader
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
2468 Rayburn House Office Building
Washington, D.C. 20510

RE: Charitable Giving Coalition Urges Congress to Expand and Extend the Universal Charitable Deduction Through at Least 2021 in COVID-19 Relief

Dear Majority Leader McConnell, Democratic Leader Schumer, Speaker Nancy Pelosi, and Republican Leader McCarthy:

On behalf of the Charitable Giving Coalition (CGC), we urge you to increase the \$300 cap on the above-the-line charitable deduction, as provided in the bipartisan CARES Act that passed in March, and to extend its availability through at least 2021 in the next COVID-19 relief package. The CGC is a coalition of associations representing thousands of charitable and faith-based organizations across the country.

As negotiations on a year-end package continue, Congress can strengthen and expand the temporary, above-the-line universal charitable deduction included in the CARES Act by lifting the cap and extending the proposal through at least 2021. We were encouraged to see an increase to the current \$300 cap to \$600 for single filers and \$1,200 for joint filers proposed in the Senate, first this summer and as recently as last week, and urge inclusion of this provision in a final bill.

We also continue to support bipartisan legislation, the Universal Giving Pandemic Response Act (S. 4032, H.R. 7324), sponsored by Sens. James Lankford (R-OK), Chris Coons (D-DE), Amy Klobuchar (D-MN), Mike Lee (R-UT), Tim Scott (R-SC), and Jeanne Shaheen (D-NH) in the Senate and Reps. Mark Walker (R-NC) and Chris Pappas (D-NH) in the House, that would raise the \$300 cap to roughly \$4,000 for individuals and \$8,000 for couples.

Enhanced charitable giving incentives would encourage all Americans to donate more, helping charitable and faith-based organizations continue to provide vital services to families, workers, and

communities, especially those critically impacted by COVID-19. As you know, nonprofits are and will remain on the front lines of supporting our communities, including the most vulnerable.

The most recent data from the Fundraising Effectiveness Project indicates an increase in charitable giving and donors in the second quarter of 2020, showing a 7.5 percent increase in overall charitable giving and a 7.2 percent increase in the number of donors, compared to 2019. Notably, the largest increase in gifts came from donors giving \$250 or less, which increased by 19.2 percent. Although it's not unusual to see an increase in giving during times of increased need, historically the greatest percentage increase has come from donations of \$1,000 or more. While there are many factors that have contributed to the increase in giving, we know the temporary above-the-line charitable deduction enacted in the CARES Act is a policy that has encouraged Americans to give more.

Encouraging all American taxpayers—regardless of their income—to give more provides charities and faith-based organizations across the country with the critical resources needed to achieve their missions and support their communities and workforces during these challenging times and as the nation recovers. We urge you to expand and extend the above-the-line universal charitable deduction in the next relief package. Thank you for your leadership and commitment to America's charitable community.

Sincerely,
Charitable Giving Coalition