July 30, 2020

The Honorable Mitch McConnell  The Honorable Nancy Pelosi
Senate Majority Leader  Speaker of the House
Washington, D.C. 20510  Washington, D.C. 20515

The Honorable Chuck Schumer  The Honorable Kevin McCarthy
Senate Minority Leader  House Minority Leader
S-221, The Capitol  H-204, The Capitol
Washington, D.C. 20515  Washington, D.C. 20510

Dear Leader McConnell and Speaker Pelosi:

As you continue negotiations on the relief package anticipated in the coming weeks, we write to urge you to include an expanded universal charitable giving deduction for tax year 2021, as a means to aid non-profit organizations that have always been, and will continue to be, at the forefront of assistance in any disaster.

Non-profit organizations are the backbone of our communities—operating food banks, shelters, domestic violence services, houses of worship, early care and education centers, after-school facilities, just to name a few, that are called on to feed, house, and care for those whose lives have been disrupted by closures, job loss, and sickness caused by COVID-19.

While we appreciate the inclusion of a charitable giving incentive in the CARES Act (P.L. 116-136), we strongly believe the $300 cap on “above the line” charitable deductions should be lifted, as well as extended to tax year 2021. Rebuilding our economy will assuredly continue into 2021 and an expanded deduction in the next anticipated COVID-19 relief package would incentivize all Americans to give more and will help greatly in generating additional resources and immediate support for non-profits and charities across our country.

Non-profit organizations in the U.S. account for 10 percent of GDP and employ approximately 12 million workers. Encouraging Americans to donate during this difficult time is crucial. Prior to the COVID-19 crisis, U.S. Treasury data showed that charitable giving declined by $3.4 billion in tax year 2018. Congress should incentivize all Americans—no matter if they itemize—to give so that charitable and non-profit organizations receive immediate assistance in funding their vital missions and supporting their employees during this pandemic.

Thank you for your full and fair consideration of expanding and extending the CARES Act’s charitable deduction in the next COVID-19 relief package, so all Americans may have greater flexibility to give back and contribute to reopening and growing our economy.

Sincerely,

Christopher H. Smith
Member of Congress

Henry Cuellar
Member of Congress

Doug Lamborn
Member of Congress
cc: The Honorable Chuck Grassley, Chairman, Senate Committee on Finance
The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance
The Honorable Richard Neal, Chairman, House Ways and Means Committee
The Honorable Kevin Brady, Ranking Member, House Ways and Means Committee