Philanthropy Conference Call Participants

NonProfit Sector (10)

Independent Sector- Sarah Melendez, President

Council on Foundations- Dorothy Ridings, President

American Red Cross- Bernadine Healy, President

Salvation Army- Lt. Col Tom Jones, National Community Relations and Development Sec

Goodwill Industries- Sam Cox, Chief Executive Officer

United Way- Chris Amundson, Chief Operating Officer

~~**Carnegie Corporation-** Vartan Gregorian, President~~

Getty Trust- John Cooke, Senior Vice President of External Affairs

Mott Foundation- Bill White, President

Kellogg Foundation- Bill Richardson, President **(Tentative)** Ann Pilt

White House Staff (4)

Shirley Sagawa, First Lady's Office

Ellen Lovell, Millennium

Ann O'Leary- First Lady's Office, DPC

Eric Gould- DPC

TALKING POINTS FOR PHILANTHROPY CALL

Thank your for joining me today. We set this call up so I could give you the good news that tonight's State of the Union Address will include a mention of proposed changes to the tax code that will encourage philanthropy and benefit nonprofit organizations. Of course, the speech can't go into a lot of detail – we will fax you a page that describes the policy. But in brief, here are the components:

- **We are Expanding the Tax Deduction for Charitable Contributions to Nonitemizers.** The budget will provide incentives for all taxpayers to contribute to charity. As you know, currently, 2/3 of taxpayers do not itemize and cannot get a tax incentive for their charitable giving. The budget will phase in a deduction for nonitemizers for charitable contributions, giving nonprofit organizations much needed support, and improving tax fairness by giving households who do not itemize a similar opportunity to deduct charitable contributions as higher income itemizers.

  This provision will be phased in over a period of six years, starting with a 50% deduction for contributions above a floor of $1,000 for individuals and by 2006, reaching a 50% deduction for gifts above $500 (which is currently the average gift for nonitemizers, according to one estimate).

- **We are Making it Easier for Foundations to Give in Times of Need.** The budget will allow more foundation funds to reach those in need by simplifying and reducing the current two-tier excise tax on private foundations to 1.25 percent thereby increasing funds available for donations to community organizations.

- **We are Allowing Greater Contributions of Appreciated Property to Charities.** In addition, the budget will make it easier for individuals to donate appreciated assets. Existing tax law places limits on the percentage of an individual's income that can be offset with deductions for charitable contributions. Deductions for gifts of appreciated property are subject to even more stringent limitations. The President's budget simplifies and eases these limitations to encourage individuals to donate more to charity by increasing the percent AGI limit on appreciated property, and the percent AGI limit for donations of appreciated property.

Rather than use our time on this call to go into a lot of specifics, I hope you will review the material we send and if you have questions, talk to one of the staff who have been working on these provisions and can give you more details. [Ann O'Leary at DPC]

I am particularly pleased about the inclusion of these provisions because they build on the White House Conference on Philanthropy and meetings that were set up following the conference with the Treasury Department. Of course, some of you have been advocating these changes for many years – your leadership brought them to the top of the policy agenda, and your efforts will help make sure they become law this year.

We know how important the nonprofit sector is to achieving the goals we share for the country – a stronger sense of community and greater opportunity for all our people, including those left behind in this unprecedented economy boom. And we know how important individual giving is to the health of the nonprofit organizations that carry out this important work. If we are able to make these tax changes law, I think they will encourage many people to consider giving more to the causes they care about.

We look forward to working with you on other parts of our philanthropy agenda to build on the White House conference, including looking at the research agenda. Our interagency task force is being organized, and the Council of Economic Advisors report on the role of philanthropy in the economy will be issued this spring if all goes as planned. Thank you for working with use on this important agenda and I hope you will spread the word to your colleagues about the administration's policy proposals.

Ann O'Leary
01/13/2000 04:09:58 PM

Record Type: Record

To: Katharine Button/WHO/EOP@EOP

cc: Shirley S. Sagawa/WHO/EOP@EOP, MaryEllen C. McGuire/WHO/EOP@EOP, Nicole R. Rabner/WHO/EOP@EOP

Subject: For Melanne

Melanne -

As you know, the Independent Sector is the group that has brought together a coalition of over 250 organizations in support of the Charitable Giving Tax Relief Act. Their support is behind the bipartisan bill on the Hill, HR 1310, cosponsored by Phil Crane (R-IL) and Bill Coyne (D-PA). It has a floor of $500 with 50% deductibility. Pricewaterhouse Coopers has estimated that this proposal would increase giving by $3 billion annually.

Up to this point the DPC has been pushing for a $500 floor with the 50% deductibility. Although, I know Bruce spoke with Treasury this morning about a $1000 floor for single filers and a $2000 floor for joint filers with 50% deductibility which they estimate would cost $8 billion over 10 years. We vetted this proposal with the Independent Sector (Matt Hammel) who spoke with his board members, Fred Grandy and Carmel del Gado. All agreed that they could not get behind this proposal because they have been so out front in support of HR 1310 and because they do not believe that it is a great enough incentive for individuals to give.

With this news, Shirley and I are very concerned about the First Lady getting out in front of a proposal that is not as forward looking as that proposed on the Hill or that proposed in the context of the Presidential elections.

Eric Gould (the DPC person working on this issue) and I have been playing with a number of options -- that would keep the floor at $500, but could phase-in the floor or the level of deductibility over time and could sunset after 2007.

If you are talking with Summers, I think that we need to try to push Treasury to cost out different options with a $500 floor.

Please let me know what you think.

Thanks.

-Ann

J. Eric Gould 01/13/2000 04:17:13 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP, Eric P. Liu/OPD/EOP@EOP

cc: Cynthia A. Rice/OPD/EOP@EOP, Ann O'Leary/OPD/EOP@EOP, Cathy R. Mays/OPD/EOP@EOP, Anna Richter/OPD/EOP@EOP

Subject: Non itemizer tax deduction

Independent Sector will not support a proposal with a $1,000 floor - it's not the end of the world but does, to some extent, call into question why we should do this if were not going to receive broad praise for it and possibly incite controversy. For the most part - the nonprofit community will base their reaction on what IS says. IS's bottom line is that at some point in the first 5 year window the deduction has to have a $500 floor. Otherwise, it leaves out lower income contributors who don't itemize.

I spoke to Burman this afternoon and it sounds like the $8 billion cost of the proposal they are currently assuming ($1,000 floor / 50% deductible) is more than they wanted to spend in the first place. Dropping the floor without making any other changes seems unlikely so I tried to figure out a couple different options with the $500 floor (I did ask Burman to run these):

Option 1: Phase into a $500 floor (delay implementation until 02 and sunset 12/31/97)

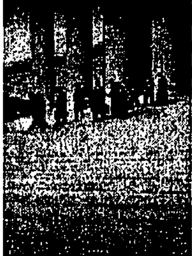
	02	**03**	**04**	**05**	**06**	**07**	**08**	**09**	**10**
floor	$1000	$1000	$750	$500	$500	$500			
% deductible	50%	50%	50%	50%	50%	50%			

Option 2: Phase into 50% deduction with $500 floor (delay implementation until 02 and sunset 12/31/97)

	02	**03**	**04**	**05**	**06**	**07**	**08**	**09**	**10**
floor	$500	$500	$500	$500	$500	$500			
% deductible	20%	20%	20%	50%	50%	50%			

INDEPENDENT SECTOR

PUBLIC POLICY



The Charitable Giving Tax Relief Act

We, the undersigned organizations, representing a cross-section of the charitable sector, write in support the *Charitable Giving Tax Relief Act* (HR 1310) and urge you to cosponsor it.

The *Charitable Giving Tax Relief Act* is based on generosity and sacrifice, not personal gain. This legislation would allow individuals and families who claim the standard deduction, two-thirds of all taxpayers, to deduct 50 percent of their annual charitable contributions over $500 each year, as a way to encourage giving above current levels. A PricewaterhouseCoopers study found that charitable giving would increase by more than $3 billion annually at 1999 income levels as a result of this bill.

The *Charitable Giving Tax Relief Act* has received bipartisan support in the 106th Congress. Introduced by Philip Crane (R-IL), and cosponsored by William Coyne (D-PA), Wally Herger (R-CA) and Karen Thurman (D-FL), the legislation has already attracted 104 cosponsors from both sides of the aisle.

The *Charitable Giving Tax Relief Act* does triple duty: it provides modest tax relief for nonitemizers, who tend to be low and middle income taxpayers; it improves tax fairness by recognizing the generosity of all taxpayers, and; by creating an incentive for giving, it affects the amount an individual gives to charity.

We have enclosed a brochure with additional information and a breakdown of how this bill will increase charitable giving in your state.

We respectfully urge your support of the *Charitable Giving Tax Relief Act*.

To be added to the sign-on letter, please send an email with your name, phone number and how you would like your organization's name to appear to Anne Page. Please respond by DECEMBER 15, 1999.

ACCESS: Networking in the Public Interest
Accounting Aid Society
Action on Smoking & Health (ASH)
Alaska Community Services
Alliance for Children and Families
Alliance for Nonprofit Management
Alliance to End Childhood Poisoning
American Association of Fund-Raising Counsel
American Association of Museums
American Autoimmune Related Diseases Association
American Cancer Society
American Foundation for the Blind
American Friends Service Committee
American Heart Association
American Humane Association
American Institute of Philanthropy
American Jewish Congress
American Library Association
American Network of Community Options and Resources
American Red Cross

[redacted]

American Symphony Orchestra League
Americans for Indian Opportunity
Americans for the Arts
Arrow, Inc./An American Indian Charity
Arthritis Foundation
The Aspen Institute
Association for Healthcare Philanthropy
Association of Art Museum Directors
Association of Governing Boards of Universities and Colleges
Association of Jewish Family & Children's Agencies
Association of Performing Arts Presenters
AVATAR Company
Baptist Health System Foundation of San Antonio
Baptist Joint Committee on Public Affairs
Baptist Metrolina Ministries Endowment
Big Brothers Big Sisters of Greater Oklahoma City, Inc.
The Boys & Girls Clubs of Hancock County
The Boys & Girls Clubs of South Hampton Roads
California Association of Nonprofits
Camp Fire Boys and Girls
Catholic Charities Archdiocese of New Orleans
Catholic Charities Services Corporation
Catholic Charities USA
Catholic Social Services of Central and Northern Arizona
Mabel T. Caverly Senior Center
CDC Foundation
Center for Excellence in Nonprofits
Center for Non-Profit Corporations
Center for Social and Economic Leadership
Charitable and Philanthropic Management Counsel
Child Care Association of Illinois
Child Care Connection, Resource & Referral Agency for Alaska
Chorus America
Christian Church Foundation
Christian Service Organizations of America
Church World Service Inc.
Citizens' Scholarship Foundation of America
Cleveland Neighborhood Development Corporation
Colorado Opera Festival
Colorado Springs All Breed Rescue Inc.
Colorado Springs Choral Society
Committee to Aid Abused Women
Community Anti-Drug Coalitions of America
Community Foundation for Muskegon County
Connecticut Association of Nonprofits
Council of Community Services of NYS, Inc.
Council of Independent Colleges
Council of Michigan Foundations
Cystic Fibrosis Foundation
The Denver Campus for Jewish Education
J. Donovan Associates, Inc.
Donors Forum of Chicago
Easter Seals of Southwestern Michigan
Easter Seals Southwester Ohio
The Enterprise Foundation
Environmental Defense Fund
Envision

[redacted]

Family Service of Greater New Orleans
Family Service of Milwaukee
Forest Service Employees for Environmental Ethics
Fort Collins Area United Way
The Foundation of Monongalia General Hospital, Inc.
The Foundation of the Pennsylvania Medical Society
Foundation of the National Student Nurses Assoc.
Frederick County Mental Health Association
Friendly House
Furniture Bank - Metro Atlanta
Gaylord Hospital
General Council on Finance and Administration of the United Methodist Church
General Service Foundation
Generalate-School Sisters of St. Francis, Inc.
Girl Scouts - Bluebonnet Council
Girl Scouts of the USA
The Giraffe Project
Goodwill Industries - Heart of Florida, Inc.
Goodwill Industries International
Goodwill Industries of Southern California
Guadalupe County United Way
Habitat for Humanity International
Hawaii Consortium for the Arts
Hispanics in Philanthropy
Hogg Foundation for Mental Health
Holy Family Institute
Hudson-Webber Foundation
Human Service Charities of America
Humane Society of Missouri
Huntington's Disease Society of America, Inc.
India Association of Metroplex
Inova Health System
Institute for Arts & Humanities Education
International Service Agencies
International Youth Foundation
Iowa 4-H Foundation
Iowa Health Foundation
INDEPENDENT SECTOR
JCC Association of N/A
Joint Center for Political and Economic Studies
Kent State University Foundation
Kidney Cancer Association
Latino Health Institute
Lee's Friends: Helping People Live With Cancer
Leukemia Society of America
Lupus Foundation of America
Lupus Foundation of America, Missouri Chapter
Lutheran Services in America
Lutheran Social Service of Minnesota
Lutheran Social Services of the South, Inc.
Maine Association of Substance Abuse Programs
March of Dimes
Maryland Association of Nonprofit Organizations
Massachusetts Audubon Society
Matagorda County United Way
Mayo Foundation

[redacted]

Medical Research Agencies of America
Michigan Nonprofit Association
Milwaukee Public Museum
Missouri Slope Areawide United Way
Multi-Service Centers of North & East King Counties
Myasthenia Gravis Foundation of America, Inc.
Myositis Association of America, Inc.
NALEO Educational Fund
National Alopecia Areata Foundation
National Associations in Colorado Springs
National Association of Private Schools for Exceptional Children
National Coalition for Homeless Veterans
National Conference for Community and Justice
National Consumers League
National Council of Catholic Women
National Council of La Raza
National Council of Non Profit Associations
National Down Syndrome Society
National FFA Foundation
National 4-H Council
National Health Council
National Hemophilia Foundation
National Interfaith Hospitality Network
National Organization for Women Foundation
National Peace Corps Association
National Society of Fund Raising Executives, Mass. Chapter
Native American Rights Fund
Natural Resources Defense Council (NRDC)
National Sleep Foundation
NJ Association for Biomedical Research
Noble of Indiana
The Nokomis Foundation
Nonprofit Coordinating Committee of New York
Nonprofit Resource Center of AL
North Carolina Wildlife Federation
North Dakota Association of Nonprofit Organizations
NW Regional Facilitators
Ohio United Way
Old Creamery Theatre Co.
Orlando Regional Healthcare
Osteogenesis Imperfecto Foundation
OTHERS International
Ozarks Resource Center
The Park Ridge Center for the Study of Health, Faith and Ethics
Partners in Housing, Inc.
Pennsylvania Association of Nonprofit Organizations
Presbyterian Church (USA)
Project Hope
Providence Foundation, Inc.
Public Education Network
Quinnipiac College
Recording for the Blind & Dyslexic
RESOLVE, the National Infertility Association
Retirement Research Foundation
The Salvation Army
San Antonio Lighthouse
St. John's Cathedral

[redacted]

San Gorgonio Memorial Hospital Foundation
Second Harvest St. Paul Food Bank
Self-Help Enterprises
Share America!
Shawnee Mission Medical Center Foundation
Shelters of Flint, Inc.
Shepherd's Centers of America
Sjogren's Syndrome Foundation
Spring Hill
The Starbucks Foundation
Taconic Foundation
TechnoServe, Inc.
Texas Alliance for Human Needs
Texas Association of Nonprofit Organizations
Texas Development Institute
Texas Network of Youth Services
The Trust for Public Land
Tucson Symphony Orchestra
United Jewish Communities
United Way of America
United Way of Central Missouri
United Way of Central Texas
United Way of Hunt County, Inc.
United Way of Metropolitan Dallas, Inc.
United Way of the Texas Gulf Coast, Houston, Texas
University of Colorado Artist Series
Union Mission, Inc.
Utah Children
Valley of the Sun United Way
Very Special Arts
Volunteer Center of Orange County, California
Volunteer Jacksonville, Inc.
Volunteers of America
Izaak Walton League of America
Warren Village, Inc.
Washington Council of Agencies
Washington Women's Employment & Education
Wayne Memorial Health Foundation
The Wesleyan Church Corporation
Women and Philanthropy
Women's College Coalition
Women's Funding Network
Woodrow Wilson National Fellowship Foundation
YMCA Blue Ridge Assembly
YMCA of Metropolitan Washington
Youth Service America
Youth Volunteer Corps of America
YWCA of Kansas City, Missouri
YWCA of Lancaster
YWCA of the U.S.A.

Marty J. Hoffmann

01/11/2000 03:53:29 PM

Record Type: Record

To: Ann O'Leary/OPD/EOP@EOP, J. Eric Gould/OPD/EOP@EOP

cc: Mark D. Magana/WHO/EOP@EOP, Hildy Kuryk/WHO/EOP@EOP
Subject: Philanthropy Conf.

The following email is from Rep. Engel's office to Chuck Brain regarding HR 2053. I know that this is different than the bill that we talked about in the mtg--but, I wanted you to have it anyway.

In addition, the following Members were on our list of potential invitees to the Philanthropy Conference (No Members were ever invited or attended):

A
Sen. Kennedy
Sen. Mikulski
Sen. Moynihan
Sen. Rockefeller
Rep. Tony Hall
Rep. Engel (primary sponsor of Checkoff for Charity Act; has expressed interest in speaking, we can't accommodate that, but should make sure that he gets invite)
Rep. Boehlert
Rep. Porter

B
Sponsors of Checkoff for Charity
Rep. Serrano
Rep. Wynn
Rep. Owens
Rep. Rodriguez
Rep. Velazquez
Rep. Towns
Rep. Weiner
Rep. Lewis
Rep. Lowey
Rep. Forbes
Rep. McNulty
Rep. Carolyn McCarthy
Rep. Blagojevich
Rep. Jackson-Lee
Rep. Kelly

-Marty

"Calvelli, John" <John.Calvelli@mail.house.gov>
10/06/99 02:33:39 PM

Record Type: Record

To: Rebecca Hunter/WHO/EOP

cc:
Subject: FW: Checkoff (Brain/Hunter)

> As we briefly discussed on the phone, Congressmembers Engel and Boehlert
> (R-
> NY) have introduced legislation (The Checkoff for Charity Act) which would
> allow
> taxpayers to contribute to charitable organizations through a designation
> on their
> tax returns.
>
> The White House is hosting a White House Conference on Philanthropies on
> October 22nd. According to the memo we recived explaining the event, the
conference would explore how we can sustain and expand our tradition of
giving for
future generations. This may be an excellent forum to highlight our
bipartisan
> legislative initiative. What do you think?
>
> Here are some highlights of the legislation:
> * It is modeled after the Combined Federal Campaign (CFC) which was
> initiated in 1961 by President Kennedy (a program currently available only
> to federal employees)
> * The Checkoff would be budget neutral
> * Has the potential of raising close to $5 billion for charitable
> organizations.
> * We have already received the support of the National Italian
> American Foundation, our local chapter of the Boys and Girls Club and
> WNET/Thirteen as well as interest in the legislation and requests for
> further information from organizations such as Cooley's Anemia, The
> Lighthouse, the Leukemia Society and Amnesty International. We are
> currently working with Commuity Health Charities and the Combined Federal
> Campaign to disseminate the information and recieve feedback on the
> proposal.
> * General Colin Powell has informed us of his support for the idea
> and has expressed an interest in meeting with the supporters of the
> legislation later this year.
> * 17 Current co-sponsors: Boehlert, Serrano, Wynn, Owens, Rodriguez,
> Velazquez, Towns, Weiner, Lewis, Lowey, Forbes, McNulty, Carolyn McCarthy,
> Blagojevich, Jackson-Lee, Kelly
>
> I have taken the liberty of attaching our latest Dear Colleague. Thanks
> for your interest and let me know what you think. (202-225-2464 or cell
> 202-225-8819)
>

> SUPPORT CHECK-OFF CHARITY FOR LEGISLATION
>
> Dear Colleague:
>
> We are writing to urge you to co-sponsor HR 2053, the Check Off for
> Charity Act of 1999. This legislation would create a mechanism by which
> all taxpayers can contribute to a wide-range of charities through a
> designation on their tax returns.
>
> The Check-Off for Charity Act would provide taxpayers with the option of
> voluntarily earmarking some of their earnings for a group of charities
> modeled after the popular Combined Federal Campaign (CFC), an annual
> fund-raising drive conducted by federal employees in their workplace each
> year. Contributors would also be allowed to take a tax deduction on the
> money they have designated for the charities.
>
> In 1994 the CFC raised approximately $195 million in donations from more
> than 1.6 million contributors. In 1995, 41% of federal employees
> participated in the CFC with an average contribution of $142.00. Based on
> CFC participation levels, Check-Off for Charity would have the potential
> of raising more than $4.8 billion for charitable organizations.
>
> During the current Congress, members have introduced legislation which
> would provide a check-off for the Olympics, libraries, schools, public
> broadcasting and national parks. Our legislation would provide the
> American people an effective mechanism to support these and other
> worthwhile initiatives.
>
> For more information on this legislation, or to sign on as a co-sponsor,
> please have your staff call Chris Pernie or John Calvelli at 5-2464.
>
> Sincerely,
>
>
>
> Eliot L. Engel Sherwood L. Boehlert
> Member of Congress Member of Congress
>
>
>
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>
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