



## Senate GOP Tax Plan Jeopardizes Charitable Giving

The tax legislation Senate Republicans are expected to bring to the floor this week compromises donations to nonprofits that touch virtually every part of American life, from education and health care to financial literacy and public lands. Estimates of similar plans show that annual charitable contributions could drop by as much as **\$11 billion** under the Republican tax proposal.<sup>1</sup>

The fall in donations would partly result from the planned increase in the standard deduction, which would reduce the number of families that itemize from 45 million to as low as 7 million.<sup>2</sup> Families that itemize are almost twice as likely to donate to charities: **83 percent** of itemizers donate some amount to charity, as compared to 44 percent of non-itemizers.<sup>3</sup> In fact, itemizers account for over 80 percent of total giving by taxpayers.

Nonprofits and working Americans across the nation would feel the effects of this drop. In New Mexico, the decline in itemizing would put more than **\$39 million** in donations at risk and hurt more than **48,000 nonprofit workers**. In Tennessee, where more than **\$200 million** in donations would be put at risk, more than **28,100 nonprofits** and **185,700 nonprofit workers** would lose. Republicans should work to make our nation's nonprofits even stronger community anchors, rather than undermining the tax incentives that allow them to flourish.

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<sup>1</sup> <http://independentsector.org/wp-content/uploads/2017/05/tax-policy-charitable-giving-finalmay2017-1.pdf>

<sup>2</sup> [https://www.washingtonpost.com/news/wonk/wp/2017/10/11/the-gop-plan-to-simplify-taxes-could-put-charitable-giving-at-risk/?utm\\_term=.8f53770b8249](https://www.washingtonpost.com/news/wonk/wp/2017/10/11/the-gop-plan-to-simplify-taxes-could-put-charitable-giving-at-risk/?utm_term=.8f53770b8249)

<sup>3</sup> <http://independentsector.org/wp-content/uploads/2017/05/tax-policy-charitable-giving-finalmay2017-1.pdf>

## GOP Tax Agenda Squashes Nonprofits

State	Average Charitable Deduction	Charitable Donations at Risk (millions)	Number of Nonprofits	Number of Nonprofit Employees
Alabama	\$7,271	\$168	18,548	78,631
Alaska	\$5,766	\$17	4,824	32,699
Arizona	\$4,870	\$169	19,966	165,987
Arkansas	\$9,704	\$107	12,276	85,531
California	\$6,241	\$1,561	147,134	1,035,436
Colorado	\$5,595	\$192	25,730	146,137
Connecticut	\$5,713	\$172	18,817	199,884
Delaware	\$4,358	\$26	5,603	40,224
District of Columbia	\$8,801	\$49	12,401	125,684
Florida	\$7,336	\$659	70,642	466,719
Georgia	\$7,486	\$466	38,250	237,384
Hawaii	\$4,074	\$32	6,958	56,318
Idaho	\$6,308	\$52	7,144	35,200
Illinois	\$5,389	\$429	61,653	549,092
Indiana	\$5,641	\$158	34,298	245,329
Iowa	\$4,768	\$82	26,615	142,735
Kansas	\$6,735	\$94	15,659	94,429
Kentucky	\$5,149	\$103	16,933	139,034
Louisiana	\$6,236	\$111	17,219	112,305
Maine	\$3,433	\$23	8,526	86,312
Maryland	\$5,166	\$292	30,095	268,202
Massachusetts	\$5,316	\$273	34,286	501,595
Michigan	\$5,198	\$271	44,047	383,099
Minnesota	\$4,659	\$184	32,355	328,019
Mississippi	\$6,839	\$83	12,032	53,847
Missouri	\$5,857	\$170	32,423	245,743
Montana	\$5,321	\$29	9,549	51,398
Nebraska	\$5,687	\$59	12,030	81,578
Nevada	\$5,753	\$79	7,467	26,584
New Hampshire	\$3,692	\$31	7,560	76,880
New Jersey	\$3,944	\$299	39,378	314,341
New Mexico	\$4,968	\$39	9,320	48,901
New York	\$6,894	\$951	92,906	1,297,883
North Carolina	\$5,953	\$325	41,682	283,453
North Dakota	\$7,338	\$18	5,531	50,775
Ohio	\$4,800	\$274	59,801	519,210
Oklahoma	\$7,725	\$120	17,121	79,252
Oregon	\$4,831	\$130	21,332	167,759
Pennsylvania	\$4,764	\$342	62,831	776,258
Rhode Island	\$3,231	\$23	7,759	70,841
South Carolina	\$6,111	\$154	22,155	80,542
South Dakota	\$9,808	\$27	6,195	48,143
Tennessee	\$8,405	\$204	28,160	185,759
Texas	\$7,801	\$865	96,122	454,673
Utah	\$9,520	\$184	7,997	67,090
Vermont	\$4,454	\$14	5,404	44,131
Virginia	\$5,239	\$313	38,526	253,605
Washington	\$6,932	\$285	32,611	226,168
West Virginia	\$5,301	\$25	9,295	71,895
Wisconsin	\$4,172	\$147	30,363	281,603
Wyoming	\$13,231	\$28	4,376	12,576

Source: Internal Revenue Service, Urban Institute, Bureau of Labor Statistics, Indiana University School of Philanthropy

Notes: Average deduction for tax year 2015. Charitable donations at risk calculated by distributing national donation reduction by state's percent of total deducted charitable donations in 2015. Employment numbers and number of nonprofits for 2012.