



PHILANTHROPY WV'S STATEMENT ON THE ITEMIZED CHARITABLE DEDUCTION:

Philanthropy West Virginia promotes advancing one of America's greatest values, the itemized charitable deduction. This is **VITAL** to our citizens and West Virginia's future so that all Americans have access to our nation's long-time value and ethic of charitable giving.

The proposals issued by both the U.S. House and Senate will negatively impact our nation's long-time tradition of itemized charitable giving allowing citizens of all incomes and backgrounds the freedom to donate their hard-earned money to the causes and organizations that they wish. The itemized charitable deduction allows for thousands of West Virginians to donate often and more to their local charities of choice each year rather than giving their hard-earned money to the government.

The proposals in Congress now would reduce the opportunity to deduct charitable contributions to the approximately 1% of West Virginians able to use it. A [Joint Committee on Taxation memo](#) released this week confirms what other studies have shown: increasing the standard deduction while keeping the charitable deduction as is, as H.R. 1 proposes, will result in far less charitable giving to American communities. Under current law, JCT estimates that 40.7 million taxpayers who itemize will deduct charitable contributions totaling \$241.1 billion in 2018. If H.R. 1 is enacted, JCT finds that only 9.4 million taxpayers who itemize will deduct charitable contributions totaling \$146.3 billion in 2018. Without changes, H.R. 1 reduces the amount of charitable gifts that taxpayers deduct by nearly \$100 billion.

In West Virginia, we are extremely concerned about this matter. West Virginia is still recovering from a decline in charitable giving since 2009, several natural disasters, and economic decline. The charitable deduction allows for all citizens to contribute their money to organizations, and programs that improve the quality of life in the regions hit hardest by economic and natural disasters. The elimination of accessing the itemized charitable deduction for all West Virginians would set our communities back further and create more challenges during a time of recovery.

Lawmakers need to understand that simply keeping the charitable deduction amid other changes found in the House version of the [Tax Cuts and Jobs Act](#) (H.R. 1), will not protect charitable giving as we know it. Nearly, \$500 Million dollars is donated annually by tens of thousands of West Virginians through the itemized charitable deduction each year. The proposed changes would eliminate this value and natural right. **We support the implementation of the Universal Charitable Deduction ensuring that all West Virginians and all Americans can all give more with the ability to charitably deduct their donations on their tax returns.**

We believe that implementing the **Universal Charitable Deduction** will continue to encourage all West Virginians/Americans to direct their hard-earned money to their own local charities by their choosing. Making the deduction available to all of West Virginia's taxpayers will help strengthen a culture of giving and incentivize younger taxpayers to make charitable investments in West Virginia's communities.

Philanthropy WV encourages our members to reach out to our U.S. Senate delegation to share your concerns and advocate for the Universal Charitable Deduction to make sure all West Virginians can give to their charity of choice to create stronger communities.

Private foundations: Please refer to the [COF statement on the self-defense exception](#) (available through our website) allowing lobbying for the universal charitable deduction but note that you can't encourage your grantees or others to do so.)