West Virginia Nonprofits Call for Renewal and Expansion of the Neighborhood Investment Program

Nearly 150 organizations sign joint letter requesting legislative action

Charleston, W.Va. – Grappling with growing community needs and lost fundraising opportunities due to the COVID-19 pandemic, nearly 150 nonprofits, charities, foundations and United Ways across West Virginia have sent a joint letter to Governor Jim Justice and the Legislature asking for the renewal and expansion of a critical charitable giving incentive program.

The West Virginia Neighborhood Investment Program (NIP) was established in 1996 to encourage donations to local nonprofit organizations. The tax credit program of $3 million each year allows 501(c)3 designated charities to apply for tax credit vouchers which are distributed to businesses and individuals who contribute to their organizations. Those charitable contributors support their communities while earning credits to reduce certain West Virginia business and personal taxes. Approximately 24,500 donations from individuals and businesses have been received throughout the life of the program.

The NIP is set to end on June 30, 2021. If a bill to renew the program does not pass during the 2021 legislative session, the tax credits will expire and leave hundreds of West Virginia organizations without an important tool to secure donations at a critical time for nonprofits that are central to the state’s response to the COVID-19 pandemic.

"The Neighborhood Investment Program is the only state tax incentive available for charitable giving in WV. It is critical to increasing local nonprofit capacities to serve West Virginians, which enriches our local communities here in the state," said Dr. Tasha Anderson, Executive Director of the West Virginia Nonprofit Association. Anderson represents one of the nearly 150 organizations who have signed on to a letter of support for the renewal and expansion of the NIP program.

The letter of support highlights survey results that the West Virginia Nonprofit Association conducted that found that 90% of the state’s nonprofits have either been unable to hold fundraising events or have had to cancel revenue generating programs, resulting in significant declines in revenues. The survey further found that responding nonprofits are facing a 300 to 400 percent increase in expenses related to servicing the increased needs of our citizens.
“At the heart of every community’s survival during this pandemic are West Virginia’s nonprofits, they are delivering critical life-saving services and stepping up to care for the needs of our citizens. West Virginians always demonstrate their generosity through charitable giving and lending a hand to neighbors when help is needed. The renewal and expansion of the NIP ensures that critical financial support is preserved for nonprofits which need it now more than ever,” said Paul Daugherty, President and CEO of Philanthropy West Virginia.

The letter also asks for the Governor and Legislature to expand the maximum tax credits available in any state fiscal year to $5 million to help nonprofit organizations that have received limited assistance in previous federal and state COVID-19 aid packages. Applications for tax credits within the program have outpaced availability every year since 2000. In 2020, the total credits requested was $6,598,400; this represents a value more than double the $3 million available within the program.

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The complete letter to Governor Jim Justice and members of the West Virginia Legislature can be found at the following link:

[NIP Renewal and Expansion Request Letter](#)