

United States House of Representatives
Committee on Ways and Means
Hearing on Tax Reform and Charitable Contributions
Date of Hearing: February 14, 2013

Statement for the Record
From

Nina Stack, President
Council of New Jersey Grantmakers

On Behalf of the
Council of New Jersey Grantmakers
101 West State Street
Trenton, NJ 08608

Submitted February 27, 2013

Chairman Camp, Ranking Member Levin, and Members of the Committee:

The Council of New Jersey Grantmakers (CNJG) is a nonprofit membership organization representing the philanthropic community in the state of New Jersey. The Council has a membership of over 120 grantmaking organizations including family, private, community, independent and corporate foundations, and corporate giving programs. CNJG exists to strengthen and promote effective philanthropy throughout the state of New Jersey and has risen to be recognized as the voice of philanthropy in our state. The Council actively collaborates with other regional associations of grantmakers across the country through membership in the Forum of Regional Associations of Grantmakers - comprised of thirty-four member associations coast-to-coast representing over 4,200 grantmaking entities nationwide.

The Council requests to submit a statement for the record:

"The Council of New Jersey Grantmakers supports tax policy that encourages charitable giving. Charitable giving is one of the rare tax incentives that reward generous acts that provide financial resources to nonprofit organizations and not more money to donors.

In New Jersey, the federal deduction is the only tax incentive for individuals to direct their assets toward their charitable gifts. Especially in the aftermath of Superstorm Sandy, it is critical that this incentive not be diminished.

Nonprofit organizations provide invaluable services to individuals and our communities; they employ almost 10% of the nation's workforce. We support the recognition of these charitable gifts in the tax code because we strongly believe that the nonprofit sector is a critically important component of our society and that public policy should do everything possible to allow this sector to continue and thrive.

With proper resources, particularly from charitable donations, nonprofits can act quickly and efficiently when people are in need, as New Jersey learned firsthand following Superstorm Sandy, when, initially, nonprofit organizations were the major source of relief for storm victims. It is essential that our public policy prioritize the protection and strengthening of the nonprofit sector."

In New Jersey,

- Individual New Jersey households donated over \$5 billion to charities in 2010.
- More than one-third (1.57 million+) New Jersey households at every income level reported making charitable contributions on their federal tax returns in 2010.
- Over 75% of small community based New Jersey charities rely on charitable giving as their largest source of revenue.

The Council appreciates the opportunity to enter our statement for the official record of the House Committee on Ways and Means Hearing on Tax Reform and Charitable Contributions. Should you require additional information, please do not hesitate to contact me at ninastack@cnjg.org or (609) 341-2022, extension 4210.

Nina Stack
President
Council of New Jersey Grantmakers

This statement can be attributed to Nina Stack, President of the Council of New Jersey Grantmakers on behalf of the Council of New Jersey Grantmakers.