

Testimony of Senator Jeanne Shaheen
Joint Economic Committee
Hearing on Supporting Charitable Giving During the COVID-19 Crisis
June 9, 2020

Chairman Lee, Vice Chairman Beyer, thank you for the opportunity to share a few thoughts with you today on this very important subject.

New Hampshire has a historically dynamic and robust nonprofit community, and charitable organizations provide critical services throughout the Granite State.

From food banks to homeless shelters, arts organizations and faith-based groups, these entities are part of the fabric of our society in New Hampshire and around the country.

Particularly in New Hampshire, nonprofit organizations form part of our social safety net to protect and support our citizens and communities. For example:

- Area Agencies in New Hampshire provide programs for people with developmental disabilities and their families.
- The New Hampshire Coalition against Domestic and Sexual Violence, and the state's 13 crisis centers, provide critical services for survivors of domestic and sexual violence.
- And New Horizons helps homeless individuals and families reach beyond the cycle of homelessness to lead healthy and successful lives.

I have had multiple calls with these and other nonprofit groups in my state to hear about the important work they are doing right now to help lessen the impact of this pandemic.

However, many organizations in New Hampshire and around the country are now struggling to fundraise due to their inability to conduct in-person events, as well as the economic strain so many families are experiencing.

According to a recent pulse survey conducted by the New Hampshire Center for Nonprofits, 92 percent of responding nonprofits have reported a drop in revenue by an average of 34 percent, while 45 percent of respondents have instituted layoffs.

At the same time, according to the same survey, 38 percent of organizations, including 45 percent of human service organizations reported an increase in demand for their services, and 44 percent of all respondents have increased some operations to meet this surge in demand.

Now more than ever, we should be doing everything we can to support these organizations, and providing an incentive through the tax code is a simple way for Congress to stand side-by-side with our nonprofits and charitable organizations and faith-based groups during this challenging time.

I'm very pleased to be working with a bipartisan group of Senators, including Chairman Lee and Senator Lankford, as well as others, to design a tax incentive that would allow a taxpayer to

claim an above-the-line deduction equal to up to 1/3 of the standard deduction, or \$8,000 for a married couple filing jointly, for charitable contributions made in tax year 2020.

In addition, this legislation would include my proposal to allow a deduction for charitable contributions made before the new tax filing deadline of July 15, 2020 to be “carried back” to tax year 2019, either through a current filing or, for those who have already filed their 2019 returns, through an amended return.

Thank you again, Mr. Chairman, for inviting me to discuss the legislation and I appreciate your partnership as we work to get this bill across the threshold. As we all know, Congress must act now because the need is great and the challenges that nonprofit and charitable organizations are working to address are so acute.