

## **Statement of Principles**

America's charities are in a state of crisis. As the nation continues to wrestle with the devastating impacts of the COVID-19 pandemic on our communities and seeks to address issues of racial justice, demands for services from charities are greater than ever.

Congress has taken some steps to support charities and the beneficiaries they serve, but as philanthropists and representatives of major foundations and charities, we believe that government support cannot be the only solution.

America's philanthropic sector can and should do more to help America's charities.

Right now, more than \$1 trillion is sitting in private foundations and donor-advised funds (DAFs). Existing laws deliver significant tax breaks upon initial funding, but do not provide sufficient incentives or requirements to ensure that these funds will ever be distributed to working charities.

Our coalition – The Initiative to Accelerate Charitable Giving – believes a few common-sense reforms could significantly increase the flow of resources to working charities from private foundations, donor-advised funds, and individuals, during this time of crisis and beyond.

- 1. For private foundations, close loopholes to better ensure that distributions qualifying for the payout requirement are available for use by working charities; and incentivize greater payout through reforms to the excise tax.**
- 2. For donor-advised funds, adopt measures to make sure that DAF accounts are distributed to working charities within a reasonable period of time.**
- 3. For individuals, incentivize greater giving by expanding and extending the new non-itemizer charitable deduction in a cost-effective way.**

While many have given generously to address this crisis, current rules are not doing enough to close the connection between charitable tax benefits and benefits to charities. Significant private sector resources are sitting on the sidelines at a time when charities need help more than ever. As members of the charitable and philanthropic communities, we believe common-sense reforms would bring additional resources to bear at this critical time.

Signed,

**Members of the Initiative to Accelerate Charitable Giving**

# Initiative to →Accelerate Charitable Giving

- Laura and John Arnold, Founders and Co-Chairs, Arnold Ventures
- Roger Colinvaux, Professor of Law
- Ford Foundation
- Give Blck
- Global Citizen
- Hewlett Foundation
- High Tide Foundation
- Taj James, Co-Founder, Full Spectrum Capital Partners
- Gaurav Kapadia, CEO of XN
- Seth and Beth Klarman
- The Kresge Foundation
- Bill Lewis, Managing Director, Lazard Ltd.
- Melanie Lundquist, Activist Philanthropist
- Ray Madoff, Professor of Law
- MRG Foundation
- North Star Fund
- Jacqueline Novogratz and Chris Anderson, Founder and CEO, Acumen & Head of TED
- Michael and Sukey Novogratz, Co-Founder, Galaxy Digital LP & Co-Founder, The Well Daily
- Robert and Allison Price
- Rehabilitation Through The Arts
- Rob Reich, Professor of Political Science
- Jennifer and David Risher, #HalfMyDAF
- Kat Taylor, Founder, TomKat Foundation
- Kent Thiry, Former Executive Director, DaVita Inc.
- Wallace Global Fund
- W.K. Kellogg Foundation
- Worldreader