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OTHER VOICES

Charitable giving under threat with new tax law

By David J. Obedzinski

Ours is a generous nation when it comes to philanthropy. When we give our time and gifts to a nonprofit organization on behalf of a worthy cause, we shine.

Giving USA reported that in 2016 charitable giving rose to an all-time high of \$10.53 billion.

That's impactful.

But just how generous will Americans remain in the coming months and years given recent changes in tax law? That is the question of the moment.

In December, President Trump signed into law the Tax Cuts and Jobs



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Act. Among other changes it lowered top marginal tax rates and increased standard deductions. In the wake of these major changes, serious questions

abound as to the impact this legislation will have on individuals, families, corporations and nonprofits. In its Feb. 7, 2018 analysis of the new law, the Joint Committee on Taxation, a nonpartisan committee of the U.S. Congress, estimated that the number of taxpayers who itemize will decrease from 31 percent in 2017 to just 13 percent this year and that those claiming charitable deductions will decrease by more than half.

The consensus among many in the nonprofit world is that charitable giving will be impacted negatively.

But to what degree?

Apprehension is growing among donors and would-be contributors, in nonprofit organizations,

and within town and city halls across the land, where reliance is heavy on nonprofits for the myriad ways they lift up communities.

Previous research has noted that tax benefits are an important part of the motivation for charitable giving in many people. The nonprofit industry, recognizing this, has shined a spotlight on those benefits as a key marketing strategy.

With uncertainty the order of the

day, here's a new focus for consideration. We need to consciously rise above the apprehension at hand and focus on mission and impact for the good of our communities.

The younger generations are to be applauded for taking the lead in asking the tough questions: What impact will my gift of time or treasure make? Will you be a good steward of my investment? How will you keep me informed and involved?

Awesome questions, indeed.

As nonprofits we need to share our mission in new and creative ways. We must show how we will lift our communities effectively and efficiently and in partnership with our contributors. As donors and prospective donors we must do what we can with our time and money as more and more people rely on nonprofit support amidst shrinking federal, state and local budgets.

There are many reasons for giving beyond the tax benefit. In Stephen Post and Jill Neimack's book "Why Good Things Happen to Good People," it was reported that multiple studies show that giving results in greater happiness and health. You have to take special notice when it is proven that giving and getting can actually reduce mortality

in one's later years.

Let's be creative together, not just when disaster strikes, but every day, when we tend to take things for granted.

Volunteer with your local nonprofit organization. Fall in love with their mission. Build a fund or scholarship at your local community foundation. Spread the word and

bring others to the table.

Let's work together to shift the focus to what's best for our community without leaning on a potential tax deduction as a motivator. Let's do it for the right reasons, together, as one generous nation, indivisible and with care for all.



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