



The Charitable Sector: COVID-19 Relief and Economic Stimulus Package

America's charities request \$60 billion infusion of support to help the most vulnerable

The COVID-19 (Coronavirus) pandemic facing the country is having a profound impact on the economy and has greatly expanded the need for charitable organizations to provide additional services in an unprecedented manner. At the same time, the economic downturn will undoubtedly result in a contraction in contributions and other sources of revenue which are the lifeblood of many charitable organizations. America's charities are frontline responders providing food, shelter, medical services and other critical services to those in need in their communities. At this crucial time when the American people and governments will depend even more on charitable nonprofits, contributions are likely to decrease as happened following the 2008 recession.

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Without dramatic and immediate financial and programmatic backstop from government, America's charitable nonprofits and the people we serve face a precipitous decline in mission services at a time when our efforts are needed like never before by the most vulnerable in our communities.

America's charitable nonprofits need an immediate infusion of \$60 billion in capital to maintain operations, expand scope to address increasing demands, and stabilize losses from closures throughout the country. Below are specific recommendations for assistance to help the nonprofit sector stay engaged serving the American people

- As 10% of U.S.GDP, we employ 12 million workers. We need to retain them.
- Nonprofits are on the frontlines serving people, especially those in need. We need business continuity relief.
- Give nonprofit payroll tax credit relief as this is the most significant tax we pay.
- Provide an "above-the-line" or universal charitable deduction for contributions through the end of 2021.

America's charitable nonprofits are significant employers

America's charities employ over 12 million people, with payrolls exceeding those of most other U.S. industries, including construction, transportation, and finance. The largest expenditures for most of America's charitable organizations are personnel costs. Unfortunately, in multiple disaster relief laws in the past, Congress has approved employment-related tax credits that fail to recognize that we are significant employers.

Policy Solution: As is done in the Families First Coronavirus Response Act (H.R. 6201), any additional employment-focused relief or stimulus legislation must expressly apply to employment at tax-exempt organizations by making tax credits and deductions applicable not just to income taxes, but to the taxes nonprofits pay, such as payroll taxes. Further, Congress should also ensure that relief and stimulus legislation designed to assist for-profit businesses in the areas of unemployment insurance, employee retention, and risk insurance must also address the unique challenges and realities that nonprofits face.

America's charitable nonprofits need business continuity relief

Millions of jobs in America's charitable sector are at risk unless a reliable source of cash can be provided to assure continued operations. And in many cases the scope of operations will need to expand to accommodate increased demand for vital services. The survival of many of America's charities is jeopardized by unprecedented revenue losses from closed programming and services offered, as well as anticipated shortfalls in fundraising. America's charitable nonprofits, which are so essential to a healthy economy, need a reliable source of cash over the next several weeks and months to ensure we can continue to serve our communities.

Policy Solution: America's charitable nonprofits request \$60 billion in emergency stimulus funding aimed at helping adversely affected national and local organizations. These funds can be distributed quickly through multiple funding streams, including, but not limited to, expansion of the Economic Injury Disaster Loan program for nonprofit employers, emergency grants to nonprofits operating under grants from federal, state, local, or other pass-through entities, and other to ensure the continued flow of charitable donations.

Policy Solution: To incentivize all Americans to support the vital work of America's charities, we call on Congress to enact an "above-the-line" or universal charitable deduction for contributions through the end of 2021. Further, to help those who step forward to help America's charitable organizations immediately assist the most vulnerable, Congress should permit taxpayers to

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donate today – at the height of the pandemic – and claim the benefit from these deductions on 2019 tax returns.

America's charitable nonprofit employees must be protected

The workers in America's charities are on the frontlines of the coronavirus response. Our workers are the backbone of the food banks, shelters, domestic violence services, houses of worship, early care and education centers, after-school facilities, and more that are being called on to feed, house, and care for people whose lives have been disrupted by closures, job loss, and sickness.

Policy Solution: Every charity in America, regardless of size, that provides paid family and medical leave should receive a tax credit the organization can use. We applaud the HR 6201 approach to provide a *payroll tax credit* to all employers of a certain size (including charities and other nonprofits) providing emergency paid family leave and sick time pay for care related to the coronavirus. Congress should provide payroll tax credits to all charities, regardless of size, that provide such paid family leave and sick time pay as a result of the coronavirus.

America's Charitable Nonprofits Are in Every Community Ready to Serve

Everywhere in America charitable organizations are already in place serving the needs of residents. Every dollar granted, donated, or earned goes back into the community immediately to address clear and present problems. Charities are our economy's shock absorber when crisis hits.

Signing Organizations

Accord Network	Appalachian Trail Conservancy
ACCSES – The Voice of Disability Service Providers	ASAE
Adult & Teen Challenge USA	Association on American Indian Affairs
Adventure Cycling Association	Association of Art Museum Directors
Afterschool Alliance	Association of Children's Residential Centers (ACRC)
American Society on Aging	Association of Public Health Laboratories
Agudath Israel of America	Association of the United States Navy
Alliance for Peacebuilding	Association of University Centers on Disabilities (AUCD)
Alliance for Strong Families and Communities	Best Buddies International
Alliance of Nurses for Healthy Environments	Bethany Christian Services
Alliance to End Hunger	Big Brothers Big Sisters of America
Alzheimer's Association	Blinded Veterans Association (BVA)
America's Promise Alliance	Boy Scouts of America
American Alliance of Museums	Boys & Girls Clubs of America
American Cancer Society Cancer Action Network	Boys Town
American Diabetes Association	Bread for the World
American Heart Association	CADCA
American Indian College Fund	Call of the Sea
American Leprosy Missions	Campaign for a Commercial-Free Childhood
American Library Association	CARE
American Lung Association	Catholic Charities USA
American Trails	Catholic Medical Mission Board
American Public Health Association	Catholic Relief Services
American Red Cross	Center for Community Progress
Americans for the Arts	Center for Public Justice

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CenterLink	Independent Sector
Chabad on Campus International	Institute of International Education
ChildFund International	InterAction
Christian Alliance for Orphans (CAFO)	InterExchange, Inc.
Christian Connections for International Health	International Rescue Committee
Church Alliance	Islamic Relief USA
Church World Service	Jewish Community Centers (JCC) Association of North America
Citizen Schools	Jewish Federations of North America
Citygate Network	Jumpstart
City Year	Landesa
Clooney Foundation for Justice	Leadership 18
Collective Liberty	League of American Orchestras
Communities In Schools National Office	The Leukemia & Lymphoma Society
Community Action Partnership	Lutheran Services in America
Community Anti-Drug Coalitions of America (CADCA)	MAMA Project
Compassion International	March of Dimes
Consumer Reports	Mazon, a Jewish Response to Hunger
Council for Advancement and Support of Education (CASE)	Meals on Wheels America
Council for Christian Colleges & Universities (CCCU)	Mental Health America
Council on Foundations	MENTOR: The National Mentoring Partnership
Council on International Educational Exchange	The Military Order of the Purple Heart
Dance/USA	Mountains to Sound Greenway Trust
David Brower Center	Muscular Dystrophy Association
Disabled Children's Fund	NACE International
East Coast Greenway Alliance	National Alliance on Mental Illness
Encore.org	National Alliance to End Sexual Violence
Epilepsy Foundation	National Association of Evangelicals
Evangelical Council for Financial Accountability (ECFA)	National Audubon Society
Evangelical Lutheran Church in America	National Center for Missing & Exploited Children
Environmental Volunteers	National Coalition Against Domestic Violence
The Episcopal Church	National Council of Juvenile and Family Court Judges (NCJFCJ)
Exponent Philanthropy	National Council of Nonprofits
Faith & Giving Coalition	National Council on Aging
FoodCorps	National Environmental Health Association
Food for the Hungry	National Fitness Foundation
Futures Without Violence	National Health Council
General Conference of Seventh-day Adventists	National Human Services Assembly
Generations United	National Indian Child Welfare League
Girl Scouts of the USA	National Indian Health Board
Girls Inc.	National Kidney Foundation
Goodwill Industries International, Inc.	National Marine Sanctuary Foundation
Habitat for Humanity International	National Multiple Sclerosis Society
Haddassah, the Women's Zionist Organization of America	National Network for Youth
Healing Household 6	National Network to End Domestic Violence (NNEDV)
Healthy Schools Campaign	National Organization of State Associations for Children (NOSAC)
Helen Keller International	National Trust for Historic Preservation
Hetrick-Martin Institute	Native American Rights Fund
IDEAS	Native Ways Federation

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NatureBridge
Nonprofit Alliance
Nonprofit Leadership Alliance
North American Division of Seventh-day
Adventists
Notre Dame Mission Volunteers
OPERA America
Playworks
Prevent Blindness
Prevent Child Abuse America
Rails-to-Trails Conservancy
Reading Partners
Rebuilding Together
RESOLVE
Safe States Alliance
Saint Francis Ministries
The Salvation Army National Headquarters
Save Our Shores
Search for Common Ground
Smart Growth America (SGA)
Sojourners
Special Olympics International
Student Conservation Association
Susan G. Komen
Teach For America
The Corps Network
The Independence Fund
The Sentry
TREA: The Enlisted Association
Trust for America's Health
TSNE MissionWorks
UCP National
Union of Concerned Scientists
United Philanthropy Forum
United Spinal Association
U.S. Soccer Foundation
United Way Worldwide
Union of Orthodox Jewish Congregations of
America
Union for Reform Judaism
VetsFirst
VisionServe Alliance
Volunteers of America
Wilderness Inquiry
World Learning
World Relief
Year Up
YMCA of the USA
YouthBuild USA
YWCA USA

