

January 22, 2014

Committee on Taxation
c/o Legislative Information
100 State House Station
Augusta, ME 04333

Dear Senator Haskell, Representative Goode, and Members of the Joint Standing Committee on Taxation,

We write to you to emphasize the importance of protecting the charitable deduction here in Maine. **We urge the committee to make a unanimous recommendation of Ought to Pass on LD 1664**, An Act to Encourage Charitable Contributions to Nonprofit Organizations.

The Biennial Budget passed by the 126th Maine Legislature late this past spring contained a \$27,500 cap on itemized deductions including the charitable giving deduction. According to recent estimates by the Maine Association of Nonprofits, based on the IRS Statistics of Income Data, **Maine nonprofits could see a decline in charitable giving of almost \$20,000,000 annually** at a time when the demand for their services is increasing and their ability to meet those demands is strained. LD 1664 carves the charitable giving deduction out of the overall cap, reversing the harm this cap will cause Maine's charitable organizations.

As you consider this legislation, please consider this. The charitable deduction is different from all other tax deductions in that it is the only provision that encourages taxpayers to give away a portion of their income to benefit others. And while there are many reasons people give, the charitable deduction is an important one. A recent report issued by the US Trust revealed that 45% of high net-worth donors reported that they would give less without the charitable deduction.

Furthermore, a recent report released by the PEW Charitable Trust chronicles the harm done to the nonprofit sector in at least seven states where charitable giving incentives were removed. These states' experiences show that the decline in giving to Maine's nonprofit sector will be real if LD 1664 does not succeed.

Maine nonprofits are critical partners with state and local governments. They supplement government funding with charitable giving, volunteerism, and in-kind donations to have greater impact on the important issues of our times. Please preserve this long-time, effective incentive for charitable giving and vote Ought to Pass on LD 1664.

Sincerely,

Organization/Individual, Location	Region(s) Served
American Cancer Society Cancer Action Network	Statewide
American Heart Association/American Stroke Association,	Statewide
Association of Maine Archives and Museums, Cumberland Center	Statewide
Bagaduce Music Lending Library, Blue Hill	Statewide

Continued...

Organization/Individual, Location	Region(s) Served
Bangor Public Library, Bangor	Aroostook, Hancock, Knox, Penobscot, Piscataquis, Waldo, and Washington Counties
Bicycle Coalition of Maine, Portland	Statewide
Birch Rock Camp, Waterford	No Boundaries
Camp Sunshine, Casco	Statewide
Catholic Foundation of Maine, Portland	Statewide
Center for Furniture Craftsmanship, Rockport	No Boundaries
Charlotte White Center, Dover-Foxcroft	Central Maine (Piscataquis, Penobscot, Hancock, Waldo, Somerset, Kennebec)
Chocolate Church Arts Center, Bath	No Boundaries
Coastal Maine Botanical Gardens, Boothbay	No Boundaries
Eastport Arts Center, Eastport	Washington County
Family Violence Project, Augusta	Kennebec & Somerset Counties
Frances Perkins Center, Newcastle	Lincoln County
Frannie Peabody Center, Portland	Southern Maine with offices in Portland, Saco, and Ogunquit
Friends of Casco Bay, South Portland	Cumberland County and marine waters along the coast of Maine
Friends of Feral Felines, Portland	Southern Maine
Friends of Maine's Seabird Islands, Rockland	No Boundaries
Friends of Midcoast Maine, Camden	Mid-coast Maine
Friends of Portland Adult Education, Portland	Portland
Friends of the Kotzschmar Organ, Portland	No Boundaries
Friends School of Portland, Portland	Scarborough, Portland, Buxton, Brunswick, Freeport, North Yarmouth, Cumberland, and New Gloucester
Genesis Community Loan Fund, Damariscotta	Statewide
Good Shepherd Food Bank, Auburn	Statewide
GrowSmart Maine, Portland	Statewide
Hospice Volunteers of Somerset County, Skowhegan	Somerset County
Immigrant Legal Advocacy Project, Portland	Statewide
Island Commons Resource Center, Chebeague Island	Chebeague Island
Landmark Human Resources, Bridgton	Northern Cumberland County & Oxford County
Maine Association of Mental Health Services, Augusta	Statewide
Maine Association of Nonprofits, Portland	Statewide
Maine Association of Substance Abuse Services, Augusta	Statewide

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Organization/Individual, Location	Region(s) Served
Maine Audubon, Falmouth	Statewide with locations in Ellitsville, West Bath, Scarborough, Freeport, Holden, East Point, and Georgetown
Maine Children's Home, Waterville	Statewide
Maine Coast Heritage Trust, Brunswick	Statewide
Maine Equal Justice Partners, Augusta	Statewide
Maine Lakes Resource Center, Belgrade Lakes	Central Maine
Maine Maritime Museum, Bath	Statewide
Maine Medical Center, Portland	Statewide
Maine Narrow Gauge Railroad & Museum, Portland	Statewide
Maine State Society for the Protection of Animals, South Windham	Statewide
Maine Women's Fund, Portland	Statewide
MaineHealth, Portland	Statewide
Mt. Desert Island Hospital, Bar Harbor	MDI Area
National Alliance on Mental Illness, Maine, Augusta	Statewide
National Council of Nonprofits, Washington, DC	National
Natural Resources Council of Maine, Augusta	Statewide
O.H.I., Brewer	Greater Bangor Region
Old Canada Road Scenic Byway, Bingham	Kennebec and Moose River Valleys from Solon to the border
Oxford Hills Community Education Exchange, Oxford	South Paris, Norway, Harrison, Oxford, West Paris, Hebron, Waterford, Otisfield
Penobscot Theatre Company, Bangor	Statewide
Penquis Community Action Program, Bangor	Penobscot, Piscataquis, and Knox Counties
Philanthropic Intelligence, Waterville	Statewide
Pilgrim Lodge, West Gardiner	90% Maine Residents
Pleasant River Wildlife Foundation, Addison	Washington County
Portland Symphony Orchestra, Portland	No Boundaries
Rangeley Lakes Region Logging Museum, Rangeley	Western Maine and Beyond
Riding To The Top Therapeutic Riding Center, Windham	York, Cumberland, Oxford, Androscoggin, Sagadahoc and Kennebec Counties
Roman Catholic Diocese of Portland, Portland	Statewide
Saint Joseph's College of Maine, Standish	Statewide
Scarborough Public Library, Scarborough	Scarborough
Seal Cove Auto Museum, Seal Cove	No Boundaries
SeniorsPlus, Lewiston	Androscoggin, Oxford, and Franklin Counties

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Organization/Individual, Location	Region(s) Served
Shalom House, Portland	Cumberland & York Counties
Snowlion Repertory Company, Portland	No Boundaries
Somerset Economic Development, Skowhegan	Somerset County
Spectrum Generations, Augusta	Kennebec, Sagadahoc, Lincoln, Knox, Waldo, and Somerset (plus the towns of Brunswick and Harpswell)
Sunrise County Economic Council, Machias	Washington County
Susan L. Curtis Charitable Foundation, Portland & Stoneham	Statewide
Swan's Island Educational Society, Swan's Island	Swan's Island
Tedford Housing, Brunswick	Sagadahoc, Cumberland and Lincoln counties
Tom Boudin, Board Member of Wiscasset Public Library and Former CFO of Coastal Maine Botanical Gardens, Edgecomb	N/A
Unity Historical Society, Unity	Unity
Washington Hancock Community Agency, Ellsworth & Machias	Washington & Hancock Counties
Waterfall Arts, Belfast	Waldo County & Mid-Coast Maine
Wayfinder Schools, Camden & New Gloucester	Statewide
Wishcamper Companies, Portland	National
Youth Entrepreneurship Adventures, Portland	Statewide
YWCA Mount Desert Island, Bar Harbor	Mount Desert Island, off shore islands, and the Ellsworth area

83 Nonprofits, For-profits & Individuals as of January 21, 2014 at 4 pm.