



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	Disabilities (AUCD)
ACCSES – The Voice of Disability Service Providers	Best Buddies International
Adult & Teen Challenge USA	Bethany Christian Services
Afterschool Alliance	Big Brothers Big Sisters of America
American Society on Aging	Boys & Girls Clubs of America
Agudath Israel of America	Boystown
Alliance for Strong Families and Communities	Campaign for a Commercial-Free Childhood
Alliance of Nurses for Healthy Environments	CARE
American Alliance of Museums	Catholic Charities USA
American Cancer Society Cancer Action Network	Catholic Medical Mission Board
American Heart Association	Center for Public Justice
American Indian College Fund	CenterLink
American Library Association	ChildFund International
American Lung Association	Christian Alliance for Orphans (CAFO)
American Public Health Association	Christian Connections for International Health
American Red Cross	Church World Service
Americans for the Arts	Citizen Schools
Appalachian Trail Conservancy	Citygate Network
ASAE	City Year
Association on American Indian Affairs	Collective Liberty
Association of Art Museum Directors	Communities In Schools National Office
Association of Children's Residential Centers (ACRC)	Community Action Partnership
Association of Public Health Laboratories	Compassion International
Association of University Centers on	Council for Advancement and Support of Education (CASE)
	Council for Christian Colleges & Universities (CCCU)

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Council on Foundations
Council on International Educational Exchange
Dance/USA
David Brower Center
Disabled Children's Fund
Encore.org
Evangelical Council for Financial
Accountability (ECFA)
Environmental Volunteers
Exponent Philanthropy
Faith & Giving Coalition
FoodCorps
Food for the Hungry
Futures Without Violence
General Conference of Seventh-day Adventists
Girl Scouts of the USA
Girls Inc.
Goodwill Industries International, Inc.
Habitat for Humanity International
Haddassah, the Women's Zionist Organization
of America
Hetrick-Martin Institute
Independent Sector
Institute of International Education
InterExchange, Inc.
InterAction
Islamic Relief USA
Jewish Community Centers (JCC) Association
of North America
Jewish Federations of North America
Jumpstart
Landesa
Leadership 18
League of American Orchestras
The Leukemia & Lymphoma Society
Lutheran Services in America
March of Dimes
Mazon, a Jewish Response to Hunger
Meals on Wheels America
Mental Health America
MENTOR: The National Mentoring Partnership
Mountains to Sound Greenway Trust
Muscular Dystrophy Association
National Alliance to End Sexual Violence
National Association of Evangelicals
National Center for Missing & Exploited
Children
National Coalition Against Domestic Violence
National Council of Juvenile and Family Court
Judges (NCJFCJ)
National Council of Nonprofits
National Council on Aging
National Environmental Health Association
National Fitness Foundation
National Health Council
National Human Services Assembly
National Indian Child Welfare League
National Indian Health Board
National Kidney Foundation
National Marine Sanctuary Foundation
National Multiple Sclerosis Society
National Network to End Domestic Violence
(NNEDV)
National Organization of State Associations for
Children (NOSAC)
National Trust for Historic Preservation
Native Ways Federation
NatureBridge
North American Division of Seventh-day
Adventists
Notre Dame Mission Volunteers
OPERA America
Playworks
Prevent Child Abuse America
Reading Partners
Rebuilding Together
RESOLVE
Saint Francis Ministries
The Salvation Army National Headquarters
Save Our Shores
Sojourners
Special Olympics International
Student Conservation Association
Susan G. Komen
Teach For America
The Corps Network
The Independence Fund
The Sentry
Trust for America's Health
TSNE MissionWorks
UCP National
United Philanthropy Forum
United Way Worldwide
Union of Orthodox Jewish Congregations of
America
Union for Reform Judaism
VisionServe Alliance
Volunteers of America
Wilderness Inquiry
World Relief
Year Up
YMCA of the USA
YouthBuild USA
YWCA USA

