

March 23, 2015

Tim Ashe, Chair, Senate Finance Committee  
Statehouse  
Montpelier, VT 05602

Re: Proposal to Cap Tax Deductions – Exempt Non-Profits

Dear Senator Ashe and Finance Committee,

We are writing to express our significant concern about inclusion of a cap on charitable contributions in the proposed tax deduction cap, and to request that you exclude charitable contributions from any cap on deductions. We represent ***thirty-two community-based non-profits in Vermont***, and all of our organizations rely on philanthropic contributions to provide vital support for our work – work which is essential to the health, safety and well-being of Vermont's citizens and communities.

The cap in itemized deductions that is under consideration by the House Ways and Means Committee will jeopardize our ability to continue providing these services to many vulnerable individuals and low-income families. Furthermore, we and other human services organizations in Vermont have seen reductions in public funding support over the past many years, and are faced with the prospect of further cuts to state contributions – thus our reliance on philanthropic contributions is increasingly important. As United Way of Chittenden County Executive Director Martha Maksym has noted, *the end beneficiary of the charitable tax deduction is not the tax payer, but rather the Vermont community.*

We believe that the value of charitable donations to our organizations vastly exceeds the revenue loss from charitable deductions; other states which have implemented such caps have later repealed them because of the adverse impact on charitable giving and the consequent impact on non-profit organizations. Many if not most large charitable contributions remain in Vermont and benefit our health, human services, and educational institutions, however we certainly understand the concern that Vermont taxpayers could be subsidizing a large gift to an entity in another state. As an alternative, we might suggest that you consider **exempting contributions specifically to Vermont non-profits.**

As you face the daunting task of developing our state's budget in these challenging fiscal times, we believe that the very *last* thing the legislature should do is discourage charitable giving which is where our programs and services find the support we need to continue our work.

Thank you for your consideration.

Sincerely,

*Sarah Adams-Kollitz*, Director  
Burlington Children's Space

*Larry Bayle*, Executive Director  
Boys & Girls Club of Rutland

*Trine Bech, Esq.* Executive Director  
Vermont Parent Representation Center, Inc.

*Bob Bick*, Executive Director  
Howard Center

*Sally Borden*, Executive Director  
KidSafe Collaborative

*Mary Burns*, President & CEO  
Greater Burlington YMCA

*Bonnie Campono*, Executive Director  
Champlain Senior Center

*Gary De Carolis*, Executive Director  
Turning Point Center of Chittenden County

*Jan Demers*, Executive Director  
CVOEO

*Jack Donnelly*, Executive Director,  
Community Health Centers of Burlington

*Kelly Dougherty*, Executive Director  
Women Helping Battered Women

*Kirby Dunn*, Executive Director  
HomeShare Vermont

*Kim Fountain*, Executive Director  
Pride Center of Vermont

*Lynn Granger*, Executive Director  
Vermont Kin as Parents

*Jon Michael Hall*, Executive Director  
CVAA

*Christopher Hess*, Executive Director  
Essex Meals On Wheels

*Linda E Johnson*, Exec. Director  
Prevent Child Abuse Vermont

*Kerry Kurt RN, MDiv*, Executive Director  
Unbound Grace

*Mike Loner*, CEO  
The DREAM Program

*Mary Alice McKenzie*, Executive Director  
Burlington Boys & Girls Club

*Rita Markley*, Executive Director  
COTS

*Elizabeth Meyer*, Executive Director  
Child Care Resource

*Melissa Murray*, Executive Director  
Outright Vermont

*Beth Baldwin Page*, Executive Director  
Boys & Girls Club of Brattleboro

*Leisa Pollander*, Executive Director  
Sara Holbrook Community Center

*Judy Peterson*, CEO,  
VNA of Chittenden and Grand Isle

*Mark Redmond*, Executive Director  
Spectrum

*Mike Reiderer*, Executive Director  
Boys & Girls Club of Vergennes

*Elizabeth Sightler*, Executive Director  
Champlain Community Services

*Pam Slattery*, Executive Director  
Heineberg Senior Center

*Vicky Smith*, Executive Director  
King Street Center

*Jan-Roberta Tarjan*, Executive Director  
Dismas of Vermont

*(Signature approvals on file)*

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