

June 24, 2013

The Honorable Ginny Burdick, Chair Senate Revenue & Finance Committee 900 Court St SE Salem, OR 97301

RE: Protection for the charitable tax incentive

Dear Chair Burdick:

The Nonprofit Association of Oregon (NAO) appreciates the challenges before your committee to balance Oregon's budget. We recognize that there are a number of revenue proposals being considered by your committee, including some proposals that would place a cap on itemized deductions, including the charitable deduction.

In April, the Oregon House Leadership and the House Revenue Committee members heard the voices of nonprofits from around the state and made the important decision to keep the incentive for charitable contributions intact by including an exemption clause for those contributions in HB2456-MR, which was passed in the House. We believe that it is critical to uphold the exemptions for charitable giving in any revenue bills that are passing through your committee.

We became aware of a Senate amendment A-23 introduced by Sen. Larry George on Thursday, June 20th that may negate the work of the Oregon House to protect the charitable deduction. This is of great concern to us. We have just reviewed the details of Senator George's proposal and how it threatens the charitable incentive. NAO would appreciate the opportunity to provide the attached testimony to your committee.

Respectfully,

Iim White

Executive Director