STATEMENT OF ADMINISTRATION POLICY
H.R. 5806 – Supporting America’s Charities Act
(Rep. Camp, R-MI, and 4 cosponsors)

The Administration supports measures that enhance non-profits, philanthropic organizations, and faith-based and other community organizations in their many roles, including as a safety net for those most in need, an economic engine for job creation, a tool for environmental conservation that encourages land protections for current and future generations, and an incubator of innovation to foster solutions to some of the Nation’s toughest challenges. The President’s Budget includes a number of proposals that would enhance and simplify charitable giving incentives for many individuals.

However, the Administration strongly opposes House passage of H.R. 5806, which would permanently extend three current provisions that offer enhanced tax breaks for certain donations. As the Administration stated when strongly opposing similar legislation this past July, if this same, unprecedented approach of making certain traditional tax extenders permanent without offsets were followed for the other traditional tax extenders, it would add $500 billion or more to deficits over the next ten years, wiping out most of the deficit reduction achieved through the American Taxpayer Relief Act of 2012. Earlier this year, House Republicans themselves passed a budget resolution that required offsetting any tax extenders that were made permanent with other revenue measures.

As with other similar proposals, Republicans are imposing a double standard by adding to the deficit to continue tax breaks, while insisting on offsetting the proposed extension of emergency unemployment benefits and the discretionary funding increases for defense and non-defense priorities such as research and development in the Bipartisan Budget Act of 2013. House Republicans also are making clear their priorities by rushing to make these tax cuts permanent without offsets even as the House Republican budget resolution calls for raising taxes on 26 million working families and students by letting important improvements to the Earned Income Tax Credit, Child Tax Credit, and education tax credits expire.

The Administration wants to work with the Congress to make progress on measures that strengthen America’s charitable sector. However, H.R. 5806 represents the wrong approach.

If the President were presented with H.R. 5806, his senior advisors would recommend that he veto the bill.

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