

Crapo Statement at Hearing on Charitable Giving
March 17

Washington, D.C.--U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, submitted the following remarks for the record at a hearing entitled, "Examining Charitable Giving and Trends in the Nonprofit Sector."

The text of Ranking Member Crapo's remarks, as prepared, is below.

"Thank you, Mr. Chairman.

"Senators from all over the United States sit on this Committee, and one thing we all have in common is an appreciation for the important work the nonprofit sector performs in each of our states. If the past two years have taught us anything, it is that the nonprofit sector is vital to our communities across the country.

"In Idaho, charitable organizations stepped up to serve Idahoans when they needed it the most during the darkest days of the pandemic. The nonprofit sector adapted to the COVID-19 situation incredibly well, often fulfilling their missions with fewer resources and volunteers or even cancelled events, all while ensuring the communities they serve were being helped. But it is not just COVID-related responses that are worth mentioning. Whether it is responding to a natural disaster, food insecurity, or providing mental health services, nonprofits across the country have done a wonderful job.

"They deserve our thanks, our praise, and our commitment to continued support. According to a 2021 report by the Giving USA Foundation, charitable giving in the U.S. exceeded \$470 billion in 2020--a 5 percent increase over 2019.

"The vast majority of giving comes from individuals, but contributions and impacts from corporations, foundations, and even estates cannot be overlooked. While data on charitable giving are encouraging, more can be done to encourage giving moving forward. Charitable giving and accompanying tax incentives are inextricably linked. Fortunately, the Senate has a track record of bipartisan cooperation on this issue.

"On the Finance Committee, Senators Lankford, Scott and Cortez-Masto have been leaders in crafting bipartisan legislation to help increase charitable giving. I look forward to hearing about how we can continue to work together on bipartisan tax policies to responsibly encourage giving.

"As the Senate Committee charged with considering changes to the tax code, we also have an obligation to look ahead and pay attention to shifts in the charitable giving landscape.

"For example, the increasing prominence of crowdfunding and the rise of digital assets present challenges and opportunities for the nonprofit sector. I am also interested in hearing about educational efforts to encourage more giving. It is essential that we think

through these issues and ensure we are being proactive about new developments and trends on the horizon.

“To our four witnesses, thank you for being here. Each of you has a unique background and perspective. I appreciate your willingness to share your expertise with us this morning, and I look forward to a productive exchange.

“Thank you, Mr. Chairman.”