



April 24, 2019

The Honorable Chris Smith  
United States Representative  
2373 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Henry Cuellar  
United States Representative  
2372 Rayburn House Office Building  
Washington, D.C. 20515

Dear United States Representatives Chris Smith and Henry Cuellar:

On behalf of the American Network of Community Options and Resources (ANCOR), I am writing to thank you for introducing the Charitable Giving Tax Deduction Act, H.R. 651. We wish to express our support for this important piece of legislation, which recognizes the value non-profit organizations bring to our society and restores incentives for the public to support their work. We are grateful for your work on this issue.

ANCOR is a national, nonprofit trade association representing more than 1,400 private community providers of services to people with disabilities. Combined, we support over one million individuals with disabilities, and work to shape policy, share solutions and strengthen the community. Agencies that help people with intellectual and developmental disabilities (I/DD) live quality, independent lives are concerned that the removal of the charitable tax deduction by the Tax Cuts and Jobs Act of 2017 will affect their long-term ability to support their mission. We appreciate the spotlight you are shining on this issue.

Disability supports operate in a tight financial environment and rely on charitable giving to strengthen their programs. Most providers of I/DD supports receive over 80 percent of their funding from the Medicaid state-federal partnership. This makes them price-takers, receiving fixed, non-negotiable rates set by state Medicaid agencies. The rates are based on funding that is allocated by state legislatures, which the federal government matches. State legislatures often do not factor the true cost of services and labor when deciding funding levels. In fact, many states have not adjusted funding for up to a decade – not even for cost of living adjustments. This leads many disability supports agencies, including faith-based organizations, to rely on donations to enrich their programs and meet demands for assistance.

While charitable donations could not entirely substitute for Medicaid funding, they provide necessary flexibility for disability organizations which help people at the most important points in their lives. For example, disability supports help individuals transition out of the school system into employment supports. Others help people with I/DD who also struggle with addiction overcome those struggles. Donations ensure organizations such as these can better meet fluctuations in demand that cannot be foreseen during the budget process. The charitable tax deduction is an important incentive for people to support this work. Without it, the Tax Policy Center of the Urban Institute and Brookings Institution estimated that charitable deductions could [decrease by one-third](#). As of early 2019, this prediction has rung true for ANCOR members, including members in Connecticut who have publicly shared [seeing decreases in donations](#).

By restoring the charitable tax deduction, H.R. 651 validates the importance of charitable giving in our society. The bill strengthens important work in the non-profit sector that is often not center stage to the headlines of the day, but nonetheless touches on all the important issues in people's lives. Thank you for your support.

We look forward to continuing to work with you, and thank you again for your consideration of this important issue. Please feel free to reach out to me with any questions or requests. I can be contacted by email at [smeek@ancor.org](mailto:smeek@ancor.org) or (703) 535 7850, extension 104.

Sincerely,

A handwritten signature in black ink that reads "Sarah Meek". The signature is written in a cursive, flowing style.

Sarah Meek, MSW  
Director of Legislative Affairs  
American Network of Community Options and Resources