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# The Coming Tax Debate

The expiration of key provisions of the 2017 tax law at the end of 2025 sets the stage for one of the most consequential tax debates in a generation. The networks of the National Council of Nonprofits are committed to identifying and promoting fundamental tax policy proposals that will enhance the abilities of organizations to advance their missions in communities while working to ensure that adverse policies, including benign proposals with identifiable, adverse consequences, are not adopted.

## Proposals

### Better Employment Tax Policies for Nonprofits

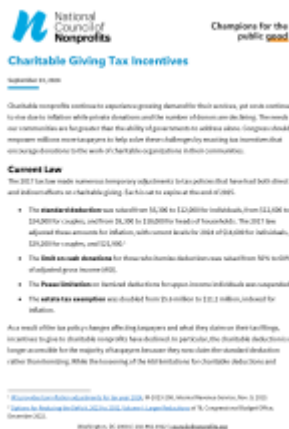


Click on image for the full paper.

The ongoing nonprofit workforce shortage crisis is a clear indication that labor market economics are not working for the benefit of people served by charitable organizations throughout the country. Data show that charitable nonprofits often cannot afford to pay wages and benefits that are commensurate with similar jobs in the for-profit and government sectors. The most direct impact frequently manifests in longer waiting lines and reduced services for individuals. All sectors suffer, however, when nonprofit child care providers are unable to pay enough to attract and retain staff to care for the children of employees of for-profit, governmental, and nonprofit employers. Nonprofit workforce shortages, therefore, are not mere inconveniences, but challenges for all residents of the United States. Congress can alleviate some of these challenges by removing existing tax policy impediments and extending to nonprofits many of the tax incentives enjoyed by businesses.

- [Tax Policies Affecting Nonprofit Employment](#), National Council of Nonprofits, October 7, 2024.

## Making the Case for Charitable Giving Tax Incentives



Click on image for the full paper.

Charitable nonprofits continue to experience growing demand for their services, yet costs continue to rise due to inflation while private donations and the number of donors are declining. The needs in our communities are far greater than the ability of governments to address alone. Congress should empower millions more taxpayers to help solve these challenges by enacting tax incentives that encourage

donations to the work of charitable organizations in their communities.

- [Charitable Giving Tax Incentives](#), National Council of Nonprofits Policy Paper, September 23, 2024.

## Charitable Nonprofits: Nonpartisan in Law, Fact, and Purpose



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As Congress reevaluates the tax laws and their relationship to the U.S. economy and society, it is essential policymakers and the public recognize charitable nonprofits – 501(c)(3) organizations that are nonpartisan in law, fact, and purpose – as vital service providers, employers, and economic drivers. Charitable organizations exist to serve the public good – providing essential services on which people depend in every community across the country. The current tax-law mandate of charitable nonprofit nonpartisanship is necessary for enabling and maintaining this

- [Charitable Nonprofits: Nonpartisan in Law, Fact, and Purpose](#), National Council of Nonprofits Policy Paper, September 9, 2024.

## Natural Disaster Tax Relief

**Natural Disaster Tax Relief**

August 12, 2024

Days after Hurricane Debby swept the southeast, in recognition of the one-year anniversary of wildfire devastation in Maui, it is undeniable that natural disasters are a fact of life in the 21<sup>st</sup> Century, affecting large segments of the United States population every year. Yet, it frequently takes an act of Congress or decree of the President to determine whether and to what level of support government and private resources can be dedicated to relief and recovery efforts in communities ravaged by natural disasters. That is why targeted and temporary tax provisions that would only be triggered by natural disaster declaration by the President of the United States.

The members of the National Council of Nonprofits all recognize the need for the federal government to address the needs of communities affected by natural disasters. The National Council of Nonprofits has long advocated for the federal government to provide support to communities affected by natural disasters. The federal government has a responsibility to provide support to communities affected by natural disasters. The federal government has a responsibility to provide support to communities affected by natural disasters. The federal government has a responsibility to provide support to communities affected by natural disasters.

The positive results for individuals and communities affected by natural disasters are undeniable. The federal government has a responsibility to provide support to communities affected by natural disasters. The federal government has a responsibility to provide support to communities affected by natural disasters. The federal government has a responsibility to provide support to communities affected by natural disasters.

**Tax Policy Proposals**

Consider the enactment of disaster tax relief and temporary provisions to enable the public to fully support victims of disaster and the work of charitable organizations in times of great need.

Click on image for the full paper.

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- [Natural Disaster Tax Relief](#), National Council of Nonprofits Policy Paper, August 12, 2024.

**Removing Tax Code Impediments to Volunteering**

**Removing Tax Code Impediments to Volunteering**

August 26, 2024

Despite the best of intentions, the ability to volunteer is often hindered by tax code provisions that create barriers to participation. The removal of these barriers is essential to ensuring that the public can fully support the work of charitable organizations. The removal of these barriers is essential to ensuring that the public can fully support the work of charitable organizations. The removal of these barriers is essential to ensuring that the public can fully support the work of charitable organizations.

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**Tax Policy Proposals**

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**1. Charitable Mileage Rate**

Individuals who volunteer for charitable organizations often incur out-of-pocket expenses. The current 14-cent-per-mile rate is insufficient to cover these expenses. The removal of this barrier is essential to ensuring that the public can fully support the work of charitable organizations.

Click on image for  
the full paper.

A unique feature of the charitable sector is its ability to tap into the devotion of legions of dedicated volunteers to address community needs and challenges. With services ranging from board membership and hospital supports to meal deliveries and community clean-up projects, and much more, volunteers help charitable nonprofits advance their missions and strengthen communities. Many nonprofits facing [increases in demand for services](#), [staff shortages](#), and [drops in revenue sources](#) turn to volunteers to support their missions and create a meaningful experience for them. However, volunteer rates are declining. There are many barriers to volunteering, such as costs, that nonprofits cannot address alone. Federal tax policy actually discourages volunteerism in significant ways that must be redressed to reverse the trends in volunteering.

- [Removing Tax Code Impediments to Volunteering](#), National Council of Nonprofits Policy Paper, August 26, 2024.

## More About Tax Policy

[Read about Natural Disaster Tax Relief](#)

## Natural Disaster Tax Relief

Right now, residents in virtually every state are suffering from a natural disaster. And charitable nonprofits are right there with them providing relief, recovery, and support.

[Read about Removing Tax Code Impediments to Volunteering](#)

## Removing Tax Code Impediments to Volunteering

The importance of volunteers to the charitable sector cannot be overstated; the value of volunteer hours amounts to half the charitable contributions every year.

[Read about Protecting the Johnson Amendment and Nonprofit Nonpartisanship](#)

# **Protecting the Johnson Amendment and Nonprofit Nonpartisanship**

A charitable nonprofit may “not participate in, or intervene in ... any political campaign on behalf of (or in opposition to) any candidate for public office.”