



Published on National Council of Nonprofits (<https://www.councilofnonprofits.org>)

Original URL: <https://www.councilofnonprofits.org/trends-and-policy-issues/natural-disaster-tax-relief>

Natural Disaster Tax Relief

People across the country are suffering from some kind of natural disaster, whether escaping wildfires, adapting to drought conditions in many places and coping with flooding in others, struggling to find clean drinking water, or rebuilding their lives after devastating events. And charitable nonprofits are right there with them providing relief, recovery, and support. Nonprofits need resources to keep these efforts going, and they need it now!

Why It Matters

As Americans suffering from natural disasters turn to charitable nonprofits, they are discovering that the nonprofits where they seek relief are themselves struggling to recover from the significantly added workloads they endured throughout the pandemic. Charitable nonprofits see the anguish of people displaced from their homes and businesses, but nonprofits already on the edge simply cannot take on the additional volume of work without more resources.

Where We Stand

With great urgency, we ask Congress to enable charitable nonprofits to provide the assistance sought

by the millions of residents whose lives have been disrupted. Specifically, we call on Congress to restore and improve charitable giving incentives and reinstate and enhance the Employee Retention Tax Credit so charitable nonprofits have the resources and staff they need to provide relief and recovery to Americans now.

- [Letter to President Biden and Congressional Leaders](#), Coalition of National Nonprofits, Updated Sept. 13, 2022

Status

[Charitable giving incentives](#) ideally suited to help nonprofits serve through natural disasters were allowed to expire at the end of 2021. Greater incentives for charitable giving are needed more than ever during the current natural disasters as nonprofits play an essential role in immediate relief and continuing recovery efforts.

We urge Congress and the Administration to:

- Renew the **universal charitable (non-itemizer) deduction** and significantly increase the cap on the deduction, as proposed in the bipartisan **Charitable Act** ([S.566](#) / [H.R. 3435](#)).
- Extend two additional disaster-relief giving incentives that expired on December 31, 2021:
 - The provision permitting individuals who itemize to deduct charitable donations up to **100% of their adjusted gross income**, and
 - The measure allowing corporations to deduct charitable donations up to **25% of taxable income**.

Related Insights & Analysis

- [Natural Disaster Tax Relief](#), National Council of Nonprofits Policy Paper, Aug. 12, 2024.
- [Letter to President Biden and Congressional Leaders](#), Coalition of National Nonprofits, Updated Sept. 13, 2022.

Additional Resources

- [Nonprofit Recommendations for Disaster Relief and Recovery](#), State Association Network of the National Council of Nonprofits, June 13, 2019.
- [Suggestions for Tax Provisions to Help Nonprofits Respond to National Disasters](#), North Carolina Center *for* Nonprofits, June 2019.