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Nonprofit Community Unites to Protect Donors from Fraud and Identity Theft

In a joint set of comments filed today, 215 nonprofit organizations united together in calling on the Internal Revenue Service to withdraw a proposed regulation that would have charitable nonprofits collect and report donors' Social Security numbers to the IRS.

The comments express strong concern that the proposed regulation (IRS REG-138344-13) would “expose the public to increased risk from identity theft, impose significant costs and burdens on nonprofit organizations, and create public confusion and disincentives for donors to support the work of nonprofits.” These concerns echo the more than 17,000 comments filed so far in response to the proposal. Most of the organizations signing this joint community letter have submitted or will be submitting their own separate comments, as well.

“This proposed IRS regulation will do more harm than good,” said Candy Hill, interim co-CEO and vice president of communications and marketing for Independent Sector. “The collection and reporting of Social Security numbers by nonprofit

organizations poses significant increased risk to taxpayer privacy while creating new liabilities and administrative burdens for charitable organizations. Combined with the anticipated impact on charitable giving, this proposal will result in fewer resources available to support communities across the country.”

“There is seemingly universal opposition – from individuals aligned with the left and right, organizations large and small, as well as entities north, south, east, and west -- to a proposal that would have nonprofits ask donors for their Social Security numbers,” said Tim Delaney, President and CEO of the National Council of Nonprofits. “The proposal strikes virtually everyone who hears about it as a gift this holiday season to the fraudsters and scam artists who make their living stealing the identities of honest people. The IRS should be taking a strong stand against identity theft by making a clear statement urging people not to give out their SSNs. The IRS must withdraw this harmful proposed rule and join the rest of America in slamming the door on identity theft.”

Comments on the proposal will be accepted through December 16, 2015.

Additional resources

- [Joint comments submitted to IRS](#)
- [Current submitted comments](#)
- [Proposed regulation](#) (IRS REG-138344-13)
- [Analysis from National Council of Nonprofits](#)

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Independent Sector is the leadership forum for nonprofits, foundations, and corporations whose member networks collectively represent tens of thousands of organizations locally, nationally, and globally. Learn more at www.independentsector.org.

About the National Council of Nonprofits

The National Council of Nonprofits is a trusted resource and advocate for America’s charitable nonprofits. Through our powerful network of State Associations and

25,000-plus members – the nation’s largest network of nonprofits – we serve as a central coordinator and mobilizer to help nonprofits achieve greater collective impact in local communities across the country. We identify emerging trends, share proven practices, and promote solutions that benefit charitable nonprofits and the communities they serve. Learn more at www.CouncilofNonprofits.org.