



INDEPENDENT SECTOR
A vital voice for us all

December 4, 2007

The Honorable Harry Reid
Senate Majority Leader
United States Senate
Washington, DC 20510-7020

The Honorable Mitch McConnell
Senate Republican Leader
United States Senate
Washington, DC 20510-7010

Dear Senator Reid and Senator McConnell:

On behalf of Independent Sector, a coalition of charities, foundations and corporate giving programs, I am writing to urge the Senate to take action to ensure that the charitable giving tax incentives set to expire at the end of this month are extended without interruption. We recognize that you are working diligently and in good faith to reach agreement on the many challenges facing enactment of temporary relief from the alternative minimum tax and the entire extenders package. As you address these many challenges, we ask that you keep in mind the many charities that rely on donations from the expiring giving incentives to provide essential services to individuals in need and their communities.

Since it was enacted in August 2006, the IRA charitable rollover tax incentive has helped nonprofits enrich lives and strengthen communities across the country and around the world. By eliminating the barrier in the tax law that had previously discouraged transfers from individual retirement accounts to charities, the rollover has enabled Americans aged 70½ and older to make millions of dollars of new contributions to nonprofits – including hospitals, museums, educational institutions, and religious organizations – that benefit people every day. The IRA charitable rollover is particularly helpful for those older Americans who do not itemize their tax deductions and would not otherwise receive tax incentives to give back to the community.

We also strongly support the other provisions from last year's Pension Protection Act that deserve to be continued: an enhanced tax deduction for gifts of property for conservation purposes; and enhanced deductions for corporate contributions of food and book inventories.

Without action by Congress in the coming weeks, these charitable giving incentives will expire at the end of this year, thus depriving thousands of charitable organizations of the resources needed to serve the public. These incentives have been in effect for

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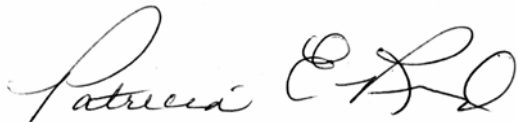
Brian O'Connell
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less than 18 months and many charities have only recently benefited from public awareness of the giving opportunities they present. Expiration of the tax incentives will cause disruptions in public education campaigns and confuse the public, which can only frustrate the efforts of charities to secure the resources needed to provide essential program services. We believe that the public and the nonprofit sector would be best served by extension of the provisions before Congress adjourns for the year.

We understand and respect the differences of opinion on whether and how much of the cost of the alternative minimum tax patch and extenders should be subject to the PAYGO rules. We trust in your leadership to reach agreement on these important questions in the coming days so that the charitable incentives can be continued without interruption.

Respectfully,

A handwritten signature in cursive script, appearing to read "Patricia Read", followed by a stylized monogram or set of initials.

Patricia Read
Senior Vice President,
Public Policy and Government Affairs
Independent Sector