

Bill Introduced in the U.S. Senate to Encourage Charitable Giving

On April 6, 2016 U.S. Sens. John Thune (R-S.D.) and Ron Wyden (D-Ore.) introduced the *Charities Helping Americans Regularly Throughout the Year (CHARITY) Act*, a bill they believe would encourage greater charitable giving among Americans and thus make it easier for foundations and other tax-exempt charitable organizations to pursue their mission.

The CHARITY Act builds on several significant Thune-and-Wyden-supported charitable tax provisions that were signed into law in late 2015, including one that makes permanent a law allowing taxpayers at least 70-and-a-half-years old to make charitable contributions directly from their IRAs.

“Americans are some of the most generous people in the world, with more than two-thirds of households contributing to charitable causes each year,” **said Thune**. “As families from across the country open their hearts and wallets to help less-fortunate members of their community, Congress should make it as easy as possible for charities to fulfill their purpose. There’s more we can do in Washington to encourage Americans to participate in charitable activities, and that starts with ensuring our tax code doesn’t hamstring those who wish to give.”

“Charitable giving is core to our society and benefits millions of Americans each year,” **said Wyden**. “This bipartisan bill improves the tax code making it easier for families to support their favorite charities and ensures that charitable organizations are best equipped to accomplish their missions.”

The CHARITY Act (S. 2750) would:

- Make donor-advised funds an eligible charity for purposes of the IRA rollover law that permits an IRA owner who is at least 70-and-a-half-years old to exclude from their gross income up to \$100,000 per year in distributions made directly from the IRA to certain public charities.
- *Simplify how foundations are required to calculate the federal excise tax imposed on investment income.*
- Authorize the Treasury Department to adopt regulations that align the standard mileage tax deduction rate for personal vehicle use for volunteer charitable services with that for medical and moving purposes.
- *Require all nonprofits currently required to file annual information returns to do so electronically.*
- Create a limited exception to the excess business holding tax rules so as to encourage more philanthropic enterprises wishing to donate profits to charity.
- *Express the Senate position that the promotion of charitable giving should be one of the goals of comprehensive tax reform.*

Senators Thune and Wyden are both members of the Senate Finance Committee, which has jurisdiction over tax and revenue measures. To learn more about this bill click [here](#) .

Permalink: <http://www.thune.senate.gov/public/index.cfm/2016/4/thune-wyden-introduce-bill-to-encourage-year-round-charitable-giving>

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