

Follow Up and Results of the White House Conference on Philanthropy: Gifts to the Future

1. The Administration intensified its efforts to improve dialogue with and understanding of the nonprofit sector:
 - The President announced the creation of a new Task Force on Nonprofits and Government to strengthen and support the important collaborative efforts of the nonprofit sector and government. The Task Force will work with the nonprofit sector to identify innovative partnerships between public and private sectors and apply these models to other governmental efforts.
 - A new "Tax Exempt and Government Entities" division was established at the Internal Revenue Service (IRS). Its advisory committee will enable the IRS to receive regular input with respect to the development and implementation of tax policies and practices affecting nonprofits.
2. The President directed the Council of Economic Advisers to undertake an analysis of the role of philanthropy in the economy, including discussion and interpretation of economic factors in charitable giving, and how the aging of the Baby Boomers and other social trends are likely to affect giving in the future. This report was available in the fall of 2000.
3. Several initiatives were undertaken to foster a culture of giving in young people:
 - *"The White House Conference on Teenagers: Raising Responsible and Resourceful Youth"* emphasized the importance of involving young people in service and philanthropy as an important part of healthy development.
 - The Corporation for National Service, in partnership with nonprofit organizations and private sector sponsors, hosted a National Youth Summit entitled *"Young People: Partners in Fulfilling the Promise."* The summit highlighted and encouraged service by youth-adult partnerships to better the lives of young people.
 - The White House encouraged a group of foundations to work together on an initiative to encourage youth giving. This group met several times to develop a framework and best practices for the creation of funds that young people might contribute to and manage.
 - The President's budget for Fiscal Year 2001 requested an increase in funds for AmeriCorps, which engages Americans of all backgrounds in year-long service projects in exchange for money for college.
 - The FY2001 budget called for funds for three new programs:
 - a. The \$5 million "community coaches" program would support AmeriCorps members, teachers and counselors in nearly 1,000 schools to help students make the most of their community service and act as a vital link between the school, the business sector, and the local community.
 - b. New \$3 million Youth Empowerment Grants would provide competitive fellowships that reward young social entrepreneurs dedicated to solving



problems in their communities. The Corporation for National Service will award the grants to community-based organizations that sponsor young people who have designed and developed their own projects.

- c. \$7.5 million will be spent for a national crusade to help children grow into healthy, strong, and productive adults, including providing opportunities for them to give back through service.
4. To maximize the vast potential of online giving, Independent Sector is working with a wide array of companies and nonprofit organizations to hold a follow-up conference on online giving.
5. The Department of the Treasury held meetings with organizations involved in the conference to discuss tax policy and research issues affecting the nonprofit sector. In his *January 2000 State of the Union Address*, the President unveiled a package of new tax proposals specifically designed to encourage philanthropy:
 - o The President proposed that taxpayers who do not itemize on their income tax forms be allowed to claim a 50 percent deduction for charitable contributions above \$500 a year. This proposal would boost contributions to charitable organizations, particularly community and faith-based groups, and improve tax fairness by giving nonitemizers the same opportunity to deduct contributions as itemizers.
 - o The President's budget will set the excise tax rate for foundations at 1.25% on investment income and will abolish a penalty on foundations that give additional funds to those in need in times of emergencies and return to their normal giving pattern after the emergency is over.
Allow individuals who give stocks, art and real estate to charity to take a tax deduction of up to 50% of their adjusted gross income (AGI) and up to 30% if the gift is given to a private foundation.

