



Letter to Connecticut's Congressional Delegation in Response to COVID-19

Connecticut's nonprofits and foundations have been moving swiftly to respond to the impact of the coronavirus pandemic on communities across the state.

As the pressure on these organizations continues to mount, we are calling on Congress to respond just as swiftly with policies that will allow our sector to continue to meet the escalating needs of Connecticut residents during this unprecedented crisis.

There are thousands of nonprofit organizations right now – from food banks and homeless shelters to community foundations and social service agencies serving every area of Connecticut's population from young children to the elderly – who are working around the clock to deal with prevention and relief efforts.

At this crucial time when Connecticut communities will depend on charitable nonprofits, contributions are likely to decrease as they did in response to the 2008 recession. Nonprofits in our state are under intense financial pressure as they face a loss of revenue from either having to cancel events or curtail operations at the same time that demand for their services is rising. Many of our foundations are responding by releasing grant funds early, allowing restricted money to be spent anywhere it is most needed, suspending reporting requirements, and digging deeper into their endowments to make emergency grants available immediately. Community foundations are coordinating various local funds to respond regionally as well.

But none of these measures will be enough to provide extensive and immediate financial relief for our sector, which employs nearly 210,000 people in Connecticut – over 14% of the state's workforce – and generates more than \$37 billion in annual revenue. Nationally, the nonprofit sector employs over 12 million people, with payrolls exceeding those of most other U.S. industries, including construction, transportation, and finance. Unfortunately, in multiple disaster relief laws in the past, Congress has approved employment-related tax credits that fail to recognize the nonprofit sector as significant employers.

At a time when the economy is under siege and you are moving to stabilize losses from business shutdowns and job displacement, we urge you to enact policies that will include tax-exempt charitable nonprofit organizations of all sizes.

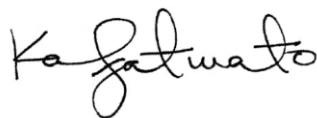
Specifically we ask that you:



- Support the policy platform of the national nonprofit community, including providing a stimulus of **\$60 billion to nonprofit organizations providing critical services as well as those that are adversely affected by the COVID-19 pandemic.**
- **Institute improvements to the above-the-line charitable deduction**, including raising the cap and allowing taxpayers to claim the deduction on their 2019 tax returns that will be filed by July 15, 2020, and extend this provision through 2021 tax filings.
- **Include nonprofits fully** in all emergency loan funds and tax relief provisions offered to businesses.
- **Support the House's provision of \$50 billion to support childcare providers**, both in centers and home based, that are providing critical support to families.

We are your partners and welcome the opportunity to connect with your staff and share insights as we work toward meeting the needs of Connecticut's communities.

Thank you for all that you do.



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