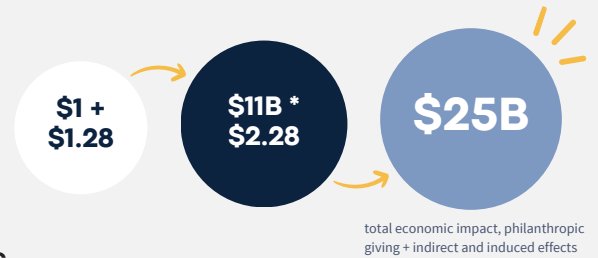




## PHILANTHROPY IS VITAL TO YOUR COMMUNITY

The charitable sector is driven by a spirit of generosity. Philanthropy invests human and financial capital to benefit the people and communities that they serve. It creates thriving places that benefit everyone.

Philanthropic resources help your constituents every day **by creating jobs, spurring innovation, supporting the vulnerable, and empowering people to improve their lives.**



## SOCIOECONOMIC IMPACT OF PHILANTHROPY

In partnership with the Texas A&M Bush School Center for Nonprofits in Philanthropy, Philanthropy Southwest engaged in research to answer the question: **What is the socio-economic impact of philanthropy in our seven-state region?**

On average, for every \$1 spent by philanthropy, **another \$1.28 was spent in the seven-state regional economy.**

In other words, the \$11 Billion awarded in 2022 grants **added up to \$25 billion invested in the Southwest.**

## INFLUENCE FROM PUBLIC POLICY

The future of American generosity is not guaranteed.

Public policy is crucial in preserving the spirit and capacity of American generosity. To be effective, foundations require favorable policies that help, not hurt, the nonprofit and philanthropic sector.

We seek your support on policies that encourage charitable giving, allow us to focus on our missions, and effectively utilize our resources and work alongside government partners to expand our collective impact.

## CHARITABLE GIVING

Recent data indicate a decline in charitable giving and volunteerism, and lawmakers have an opportunity to help the nonprofit sector reverse these trends.

PSW is proud to support efforts to restore a non-itemizer charitable tax deduction akin to what Congress enacted in 2020 to help charities stay open during the pandemic.

Unfortunately, nonprofits have not kept pace with the country's economic recovery, and the charitable tax deduction in its current form is only available to about 10% of taxpayers.

The Charitable Act (S. 317/H.R. 801) represents a bipartisan, bicameral effort to address declines in charitable giving by restoring and expanding 2020's universal charitable deduction.



## ENDOWED PHILANTHROPY

The Southwest comprises distinct communities and needs, many of which are supported by endowed philanthropy. These gifts ensure local nonprofits, especially in rural communities, receive sustainable support to continue to advance their missions.

PSW supports current policy that allows foundations to exist in perpetuity, and we urge you to reject efforts to increase payout requirements or private foundation excise taxes that would eliminate the ability of foundations to provide long-term support to grantees in your communities.

Public policy changes should not penalize endowed assets that sustain this critical stability in our region.

## DONOR-ADVISED FUNDS REGULATIONS

Donor-advised funds (DAFs) represent a bright spot in the charitable giving landscape. Despite declines in overall giving, DAFs have grown in recent years due to their flexibility and ease of use.

DAFs allow generous individuals to commit resources to charitable purposes and allow them to grow.

Recent Treasury proposed guidance (RIN:1545-B133) that provides definitions of donor-advised funds, donors, distributions, and other key terms raises concerns that DAFs will become more difficult to use, diminishing their usefulness as a charitable vehicle and exacerbating the decline in charitable participation.

## ABOUT PHILANTHROPY SOUTHWEST

### PSW MEMBERS INVEST BILLIONS OF DOLLARS ANNUALLY TO MAKE A DIFFERENCE IN THE LIVES OF MILLIONS.

Founded in 1949, PSW is the first association of grantmakers in the country and the premier philanthropy-serving organization in the southwestern United States.

PSW membership includes thousands of staff and trustees from hundreds of grantmaking organizations across a seven-state region.

Arkansas



Arizona



Colorado



Nevada

New Mexico



Oklahoma



Texas