Did the 2018 Tax Law Changes Discourage Charitable Giving?

Charitable giving by individuals dropped in 2018 for the first time in five years—the very first tax year following passage of the Tax Cut & Jobs Act of 2017.

At a time when the U.S. economy is growing at a healthy rate, charitable giving by individuals dropped by an inflation-adjusted 3.4 percent in 2018.

The Tax Cuts and Jobs Act (TCJA) that went into effect in 2018 has triggered a series of alarms across the country on the future of charitable giving. By reducing specific incentives to make tax-deductible charitable contributions, many taxpayers are no longer motivated to give as much as they used to, if at all.

This decline in charitable giving negatively impacts nonprofits because donations are the backbone of this sector. Unfortunately, the beneficiaries of these programs suffer the most, particularly families and individuals, who depend on community-based nonprofit organizations. That means fewer meals served, fewer individuals housed, fewer arts education opportunities, and fewer services provided by charities across the country.

The Arts Action Fund is a proud member of the Charitable Giving Coalition, which has brought thousands of major nonprofit organizations together, from the Red Cross and the United Way to religious charities. Together, we have voiced concerns about alarming trends in charitable giving. First, fewer Americans are making charitable contributions. Second, far fewer Americans can itemize their tax returns, which means they are no longer being rewarded with a tax deduction for charitable gifts. The coalition actively lobbies Congress to reinstate tax deduction incentives for every taxpayer to give to charity.

Maine Arts & Culture Support the Economy and its Veterans

In honor of Veteran’s Day on November 11th, Americans for the Arts released a full-page color ad in the Kennebec Journal, in Augusta, MN. The ad recognized the arts leadership of the Maine Congressional delegation and featured information on the economic impact of the arts. The ad also highlighted programs across the state serving active military, veterans, and their families.

According to the U.S. Bureau of Economic Analysis, Maine’s arts and culture sector is a $1.5 billion industry, accounting for 2.6% of the state’s economy, as well as 16,618 jobs.

You can view the ad at ArtsActionFund.org/MaineAd and also download our fact sheet on ‘Why the Arts Matter’ in Maine (or your own state) at ArtsActionFund.org/StateFactsheets.

2019 Year-End Campaign

Return the enclosed envelope to make your annual gift to the Arts Action Fund and help us reach our goal of $30,000!

We are almost there!
Dear <<First Name>>,

We are so grateful to Blick Art Materials (owner of Blick and Utrecht stores nationwide) for partnering with the Arts Action Fund for the last six years during National Arts & Humanities Month in October. Blick has recruited more than 60,000 new members to the Arts Action Fund movement. Check out this year’s social media promotional poster. We look forward to partnering with Blick and other retail art stores next year.

On October 10th, Americans for the Arts, in conjunction with the Congressional Arts Caucus and the Congressional Humanities Caucus, held a briefing to give congressional staffers a legislative update on the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH).

As we close out 2019, I want to urge all Arts Action Fund members to contribute to our Year-End fundraising campaign to raise $30,000 by December 31st. We will use these funds to build our grassroots and political efforts next year as we ramp up our efforts for ArtsVote 2020. We’ll be mobilizing our grassroots constituents to weigh in on the most important legislative agendas impacting the arts and arts education in our nation’s capital and in state and local legislatures across the country. We need your support to build our political clout to recruit a million Arts Action Fund members and to raise $100,000 in PAC dollars this election cycle to support as many pro-arts congressional and presidential candidates as possible.

Return the attached envelope, or visit ArtsActionFund.org/PAC2019, to make your Year-End gift to support our ArtsVote 2020 efforts.

Robert L. Lynch
President & CEO

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2019 ArtsVote Legislative & Political Timeline

See the full timeline at ArtsActionFund.org/Timeline
PAC Update

70 Seats in Play in the House, 15 in Senate

According to the *Cook Political Report* control of Congress will be decided by about 70 congressional seats in play in the U.S. House, and 15 in play in the U.S. Senate. These projections shift from month to month as various challengers get into a race, members of Congress retire and political landscapes shift. For example, Senate races in AL, AZ, CO, and ME are all considered toss-ups based on a variety of factors, such as vote totals in 2018 and 2016. In Maine, Senate Cultural Caucus Co-chair, Susan Collins (R) is facing a tough challenge from Maine House Speaker Sara Gideon. Among the House races, we’re hopefully watching Rep. Kendra Horn (D-OK) and Abby Finkenauer (D-IA) along with other freshman pro-arts members in southern California, Michigan, and Texas with their reelection efforts. The Arts Action Fund PAC is raising money for some of these candidates and many others. To recommend a candidate for us to support, please download the Candidate Arts Questionnaire at ArtsActionFund.org/ArtsVote and give them to your candidate to fill out. Complete surveys can be emailed to ArtsActionFund@artsusa.org.

State and Local Update

Create NYC Action Plan

The New York City Department of Cultural Affairs recently released their Create NYC 2019 Action Plan, which includes a record $212 million in funding for the city’s arts agency. Further, the Action Plan streamlines the scores of recommendations into five objectives with 25 strategies for implementation. The Action Fund congratulates the Department of Cultural Affairs for producing this detailed guide which other cities can use to grow their own arts and cultural industry. View more at CreateNYC.cityofnewyork.us.

Impact of 2019 State Elections

With the completion of the 2019 elections, we turn our attention to the 2020 Presidential and other federal elections. While no single election can predict the future, the results of the 2019 elections can offer a window into the mind of the electorate. For example, Virginia’s entire legislature was up for election in November. Republicans had held a slim 20-19 majority in the Senate and 51-49 in the House. Now after the 2019 election, Democrats control both houses for the first time in over three decades, picking up two seats in the Senate (21-19) and six seats in the House (55-45). Democratic wins were driven again by turn out in suburban and exurban areas, as seen with democratic gubernatorial surprise wins in Kentucky and Louisina.
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