

## First Things First

forward to

October 9, 2018 www.fundraisingcounsel.com



from the standing-desk of **David H. King** | President & CEO

# The 2017 Tax Law's Impact on Giving: What Economists Don't Get

Since December 2017, the nonprofit sector has been buzzing with speculation about how the increase in the standard deduction, resulting in a decrease in the number of people who itemize their taxes from 30% of the population down to 10%, will impact

charitable giving. The prediction by economists is that people who do not itemize their tax return will not make charitable contributions. In fact, some are estimating this could cause a decline of as much as 5%, or \$20 billion, in 2018 contributions. Economists have developed complex formulas that predict this decline. I believe they are wrong.

How can I disagree with someone with a Ph.D. in economics when it comes to money? Over 30 years of professional fundraising experience and a degree in psychology lead me to the conclusion that economists' mathematical formulas completely discount what really drives giving.

#### **Doing The Math**

For starters, let's look at the math. According to one study, approximately 96% of American households planned to give to charities in 2017. Yet, according to the Internal Revenue Service, only 30% of Americans itemize their deductions. There is a clear disconnect in the logic. If only 30% of Americans are receiving the tax deduction for giving by itemizing, and the tax deduction is the driver of giving, then the other 66% should not be giving, and yet they do.

Next, let's look at this tax deduction issue itself...

### **Reflection of Henri Nouwen**

"When we honestly ask ourselves which person in our lives means

the most to us, we often find that it is those who, instead of giving advice, solutions, or cures, have chosen rather to share our pain and touch our wounds with a warm and tender hand." - Henri Nouwen, Out of Solitude: Three Meditations on the Christian Life.

Henri Nouwen, who died 22 years ago this month, continues to be an influential "warm and tender hand" in the lives of many around the world familiar with his writings. I count myself among them having been a student at Yale Divinity School when he served on the faculty.



Little did I realize that what he was teaching me by example would become preparation for helping me to become a professional fundraiser and a consultant to others.

Please go here to read Jerry's reflections on this important person in his life...

# Did you download our new guide? A Guide to Selecting Fundraising Counsel

The decision to engage outside counsel is an important step for your organization.

Inside our guide you will find information on the 6 crucial steps to selecting counsel.

Get to Guide

# Listen and Learn....



# Insights for Board Enhancements

Mary Wieler, President of the Museum Trustee Association joins Alexander Haas President and CEO, David King to talk museum board enhancement and education. They discuss state and local laws regarding endowments, what board members need to know specifically about museums to better serve the board, how to understand economic cycles that impact donations and more.

Download our guide to **Overcoming Objections** for additional fundraising help.





# Are You Listening to Our Podcast?

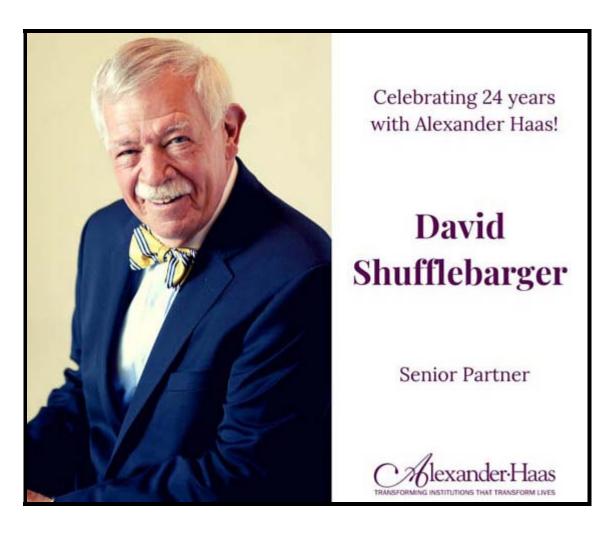


**NonprofitNews.com** thinks you should! The website's **Donorbox Blog** lists our podcast **Futures in Fundraising** #4 on a list of **8 Podcasts for Nonprofit Founders (in 2018)**.

Catch a new episode of Futures in Fundraising each month on Tuesdays at 10:00 am (EST) on Facebook Live.

To download this show and catch up on others, find us on iTunes.

Listen to all our podcasts here....



## We'd Like You to Know....

## **Transforming Institutions**

Welcome Continuing & Returning Client Partners



**American Library Association** in Chicago and Washington, DC is a continuing Client Partner.

Welcome back to **Cure Childhood Cancer** in Atlanta . We are proud to work once again with this organization and help them fulfill their mission.

### Our Transformational Services

Alexander Haas offers a wide range of fundraising consulting services for organizations of all sizes. Our priority is to help transform institutions that transform lives. Whether you are readying for a capital campaign or need to assess your annual fund, our services are tailored to each individual client.

What can we help you with?



Piedmont Place 3520 Piedmont Road NE Suite 300 Atlanta GA 30305-1512 (404) 832-9200 info@fundraisingcounsel.com









This email was sent to: gingerchakalall@me.com

This email was sent by: Alexander Haas Piedmont Place, 3520 Piedmont Road, N.E., Ste. 450 Atlanta, GA 30305

We respect your right to privacy - view our policy

<u>Manage Subscriptions</u> | <u>Update Profile</u> | <u>Unsubscribe</u>