

PHILANTHROPY MATTERS

Tax Reform on the Horizon



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With the White House and both houses of Congress now aligned, the moment anticipated for decades has finally arrived: comprehensive tax reform is on the horizon. With the 115th Congress just underway, tax reform is set to be one of the first major pieces of business and Senate Majority Leader Mitch McConnell has announced plans to use the budget reconciliation process to ensure its passage. Time to weigh in with lawmakers on tax reform issues with potential consequences for philanthropy is short.

Proposed caps on charitable deductions are the most obvious of these. While President-elect Trump's tax plan calls for capping itemized deductions at \$200,000 for married-joint filers and \$100,000 for singles, it's expected that the Tax Reform Blueprint released by Speaker Ryan and the Ways and Means Committee in 2016 will be the basis for tax reform legislation. There are no guarantees, but some encouragement in the facts that the Blueprint did not propose capping the charitable deduction and Speaker Ryan has indicated strong support for it.

The Foundation is a member of the Council on Foundations, a national public policy voice rep-



resenting the interests of philanthropy and both public and private foundations. The Council platform strongly supports preserving the full scope and value of the charitable deduction as well as simplification of the private foundation excise tax on net investment income to a flat rate of one percent. We also strongly urge opposition to any proposals to require a Donor Advised Fund to pay out a percentage of funds annually, or to exhaust funds within a set period. These are just a few of the key issues, several related to IRAs, likely to be settled soon.

Expectations are the House Ways and Means Committee will markup a bill as early as March with a quick progression of legislation through both Houses of Congress, so the time to appeal to lawmakers to strengthen the tax code to encourage philanthropy is now! News on this front should be fast and furious and we stay on top of developments with the Council's weekly "Washington Snapshot".

If you are interested in receiving "Washington Snapshot" for updates on tax reform progress and/or you have a private foundation and



would like a copy of the Council's template email on tax reform to forward to your representatives, please send a request to foundation@oceanreef.com.

ELC Thank You (pictured above)

The Early Learning Coalition of Miami-Dade/Monroe is grateful to the Ocean Reef Community for your generous support sponsoring our 2016 Monroe County Early Childhood Conference. One hundred-two participants attended the conference (almost

double the 2015 attendance). The focus of the 2016 conference was to promote incorporating STEM (Science, Technology, Engineering and Math) concepts into the preschool classroom. Thanks to you, participants were able to select age appropriate STEM educational material packages for use in their classrooms. Thank you for your partnership in our efforts to improve the quality of early education and care for our youngest children! - Evelio Torres, President and CEO.