



January 18, 2024

Dear Member of Congress:

On behalf of the millions of Americans for Prosperity (AFP) activists across all 50 states, I write in support of the Safeguarding Charity Act introduced this week by Senator Marco Rubio (R-FL) in the Senate and Congressman Greg Steube in the House.

The United States is home to over one million non-profit organizations. These groups include large charities with hundreds of thousands of supporters and small non-profits run by skeleton staff trying to maximize resources. For the IRS, these organizations are little more than entities organized under section 501(c) of the tax code, but to the American people these are the lifeblood of civil society. For that reason, protecting these organizations from the heavy hand of government regulation is crucially important.

The Safeguarding Charity Act is a necessary, proactive step to protect our vibrant charitable institutions.

This bill is simple. It makes clear that the tax status of charitable organizations is not “federal financial assistance.” It is stating explicitly what has always been true in the law. Sadly, this bill is now necessary because recent outlier court decisions in California and Maryland have held the opposite – effectively categorizing the tax status IRS assigns to charities as federal assistance. They have done this to subject charities to a host of burdensome legal and regulatory requirements which threaten to bury non-profits under red tape.

That’s wrong. Civil society is a bedrock of the American tradition. Engaging with these groups is a core First Amendment-protected activity. If some courts are unwilling to protect that activity, Congress must step in.

Without this bill, smaller charities will be crippled by these court rulings; they often lack the resources or expertise to comply with complex and ever-changing rules. This is especially harmful to those organizations who have purposefully avoided taking benefits from the government, either out of principle or to avoid jumping through burdensome regulatory hoops.

We applaud Senator Rubio and Congressman Steube for their leadership and staunch support of the Constitution on behalf of America’s non-profit organizations. AFP strongly urges you to co-sponsor this important piece of legislation.

Sincerely,

Brent Gardner
Chief Government Affairs Officer
Americans for Prosperity