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## **FOUNDATION SPENDING REFORM MEASURE IN CHARITABLE GIVING ACT**

### **Money to Charity, Hamper Foundation Accountability and Open More Loopholes Than It Closes, NCRP Says**

WASHINGTON ----- In approving the Charitable Giving Act of 2003 (H.R. 7) this afternoon, the House of Representatives has weakened a measure that would have required private foundations to spend a minimum of 5 percent of their assets each year on charitable purposes. "While the original version of Sec. 105 would have pumped more grant money into charities and simplified the rules governing foundation spending, the altered version of the bill does the opposite," says Sloan C. Wiesen, NCRP's director of public policy. Under current law, private foundations are required to spend a minimum of 5 percent of their assets each year on charitable purposes. Unlike its predecessor, the altered version of Sec. 105 creates a laundry list of certain administrative expenses that foundations can deduct from their 5 percent spending requirement. If the altered version of Sec. 105 is enacted, it would not be the first time Congress has tried to force foundations to spend more money on administrative expenses.