

For Immediate Release

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## **MEASURE COULD PUMP BILLIONS INTO CHARITIES WHILE PRESERVING FOUNDATIONS**

### **Charities Count Much of Their Own Overhead As Part of Their Required Charitable Spending**

WASHINGTON

----- A new analysis released today by the National Committee for Responsive Philanthropy (NCRP) shows that private foundations are required to spend a significant portion of their assets on overhead costs, which can be as high as 15 percent of their total assets. This finding is a key part of NCRP's new analysis, titled "Helping Charities, Sustaining Foundations: Reasonable Tax Reform Would Aid Charities.pdf".

"This is a modest and reasonable reform that would help charities with desperately needed new grantmaking capacity," said Sloan C. Wiesen, NCRP's executive director. "The current law is outdated and does not reflect the needs of the charitable sector."

NCRP's new analysis, titled "Helping Charities, Sustaining Foundations: Reasonable Tax Reform Would Aid Charities.pdf", is available at [http://www.ncrp.org/charities.pdf](#).

Under current law, private foundations are required to donate only 5 percent of their assets each year to charitable purposes. NCRP's analysis shows that this requirement is not only outdated but also inefficient, as it forces foundations to spend a significant portion of their assets on overhead costs. The new analysis recommends a reform that would allow foundations to spend up to 15 percent of their assets on overhead costs, which would significantly increase the amount of money available for charitable purposes.