



CRFB Warns Against Adding Charitable Tax Breaks to the Debt December 10, 2014

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The House is planning to take up a bill that would make permanent three of the tax extenders dealing with charitable contributions, costing over \$11 billion. These provisions were part of an earlier negotiation that fell apart a few days before Thanksgiving over concerns about the cost.

Maya MacGuineas, president of the Committee for a Responsible Federal Budget, released the following statement:

"It seems like Congress just can't resist racking up debt on the nation's credit card. Our sigh of relief that lawmakers abandoned a plan to pass \$440 billion of permanent tax extenders was apparently premature, with new discussions reportedly focused on enacting bite-sized pieces of that plan.

"The package of charitable deduction policies they are considering making permanent could cost \$11 billion or more, on top of the \$42 billion they are already spending to extend all tax provisions for 2014. Our [PREP Plan](#) included over \$80 billion of tax compliance measures -- enough to pay for both -- but unfortunately lawmakers aren't even looking for offsets.

"President Obama rightly issued a veto threat on a similar package earlier this year, and we would urge him to do so again. Policymakers should address reforms to the charitable deduction as part of comprehensive tax reform, or else in a fully offset package.

"Congress may be feeling charitable as they pack up to leave town, but these end-of-year Christmas gifts will only leave future generations with a lump of coal."

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