

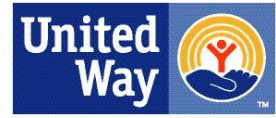
United States House of Representatives, Committee on Ways and Means
Hearing on Tax Reform and Charitable Contributions
Testimony of Leslie Osche, Executive Director,
United Way of Butler County
Butler, Pennsylvania
February 14, 2013

Chairman Camp, Ranking Member Levin, Members of the Committee:

On behalf of the thousands of donors and our many charity partners of the United Way of Butler County and the entire United Way network in the United States, I thank you for this opportunity to appear today to share the concerns of our citizens regarding the impact of the charitable tax deduction in our communities.

Butler County is one of the fastest growing Counties in Pennsylvania in population, job growth, and median income. County residents made contributions of \$69.4 million in 2011, nearly 4% of their discretionary income.

As a result of growth, United Way of Butler County's annual fundraising campaign last year topped \$1.7 million, an increase of 33%. Nearly one-third of that, over \$560,000, comes from leadership level gifts of \$500 or more. This time of year highlights the importance of the charitable deduction as many donors are contacting our office to insure they have proper documentation as they are preparing to file their federal income tax returns. And over the last several years as the proposed cap on charitable deductions has come to the forefront, I've heard from donors that their giving may be significantly impacted if tax reform means a limit on charitable deductions.



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Butler County's growth is largely due to the generosity and private support of citizens who give, advocate, and volunteer their time to insure that the key building blocks of education, income and health are solid and that we can safely build on that foundation.

The \$1.7 million in charitable contributions last year allowed United Way of Butler County to support programs and initiatives that build character, improve academic outcomes, and equip our young people with the critical skills needed to succeed in the future workforce. We invested in initiatives that improve the financial stability and health of individuals and families by providing services that support employment, child care, tax assistance and safe and affordable housing.

Ours support and investments were widely distributed throughout the County, allowing us to partner with and provide funding to agencies such as the Community Health Clinic, Boy Scouts and Girl Scouts, the Dunbar Community Center Afterschool Program, the YMCA, Big Brothers Big Sisters, the Lighthouse Foundation, Center for Community Resources, Catholic Charities, and Butler County Children's Center in order to accomplish our community's goals. Most if not all of these programs are preventative. They are the programs that close the door on vulnerabilities that can lead to dependence on more costly band-aid solutions.

Because of the presence of major corporations in our community whose employees make charitable contributions through United Way, we also distributed nearly \$700,000 in designated charitable contributions to over 700 separate charities across the country.

The generosity of donors allowed us to work collaboratively with United Ways in the region to launch the 2-1-1 service in Southwest Pennsylvania, a number much like 9-1-1 that consumers call for assistance with human service needs. It fielded over 31,000 calls in our area in 2012, connecting citizens with basic needs like food, housing, and utility assistance.

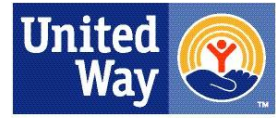
United Way of Butler County works very closely with our County Human Services Department to coordinate resources and create efficiencies in the face of state and federal funding cuts to human services. The generosity of donors helped us keep critical mental health and housing services whole.

We have also built powerful relationships with the faith-based community, collaborating specifically on energy assistance and emergency relief and working toward very real and long-term solutions for human challenges.

The most important message I carry from my community and from our United Way network today is that all of these efforts are driven and funded by the private sector, by the citizens of this great country who support their religious and charitable institutions, who literally come to the table, even at 7:30 a.m. on Monday mornings, to advance the common good in our communities. Through private investment, citizens come together to bring about positive change that allows families to be self-sufficient and our growing community to continue to thrive because our children can be wholly successful and prepared to lead our country into the future.

Any effort to limit charitable deductions, strikes at the heart of the citizens and the community who are moving beyond government support and are solving problems at the ground level. Their efforts should be supported and the incentive to continue to give and to volunteer their time must be preserved.

As I've clearly pointed out in my comments, we work together, with other community institutions to solve problems and drive change. All of these institutions rely on the generosity of our citizens and their charitable contributions that have long been exempt from taxation. Therefore, any effort to limit charitable deductions has a negative multiplier effect on our community and families and that widespread consequence could be devastating. This country was built on the charitable spirit of its citizens



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and this core value is unmatched anywhere else in the world. We very respectfully ask that you preserve this value by protecting the charitable deduction.

Thank you.