



United States House of Representatives, Committee on Ways and Means  
Hearing on Tax Reform and Charitable Contributions  
Testimony of William N. Rieth II  
President/CEO  
United Way of Elkhart County  
Elkhart, Indiana  
February 14, 2013

Chairman Camp, Ranking Member Levin and Members of the Committee, thank you for allowing me to testify on behalf of the United Way of Elkhart County and the United Way network in the United States.

I am testifying today in support of maintaining the Charitable Deduction for tax payers.

First, let me speak a little about Elkhart County in northern Indiana. Our community of just under 200,000 residents is the home of manufacturing and high tech industries. Elkhart County became a focal point during the height of the recession when our unemployment rate skyrocketed to over 18% in 2009. That same year, President Obama visited my community because it was the place where “the nation’s economic problems are acute” as he was trying to convince you to move swiftly on his proposed economic stimulus bill. It took several years to recover, and we continue to recover.

Our residents are generous, giving over \$74 million in 2008 according to the “How America Gives” report. While we don’t know which of our donors take advantage of the Charitable Deduction, we can extrapolate based on the research. Three-fourths of the donors are estimated to use the charitable deduction when they itemize. The Charitable Deduction is critical for our United Way and for our community.

We are able to leverage this investment into millions of dollars of needed services that impact over 12,000 people. If we were to lose this revenue, due to a change in the Charitable Deduction, it would be devastating.

For example, our Income Initiatives empower families to work and save their way out of poverty. Each year, hundreds of families set a budget, repair their credit and open their first savings account. Nearly 50 families graduate annually, from our Financial Fitness program having met their financial goals. Many move into their first home, giving them greater stability and strong roots in our community.

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of Elkhart County**

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**United Way  
of Elkhart County**

Our Health Initiatives assist hundreds of chronically ill people with no prescription insurance. In 2012, over 3.1 million dollars of essential medications were provided to our citizens. These medications include those used for controlling blood pressure, diabetes and for cancer treatment. These medications are not only essential for people to remain healthy, employed and productive, but also help people to stay out of the hospital.

Our Education Initiatives impact thousands of students who need help to succeed in school. For example, our Reading Camps for second graders help children who are behind in literacy skills. These camps see a 90+% improvement in students skills, enabling them to be ready to enter third grade.

These are just a few examples of many that I could share with you that are helping people to live better lives. The community- and faith-based programs in my community are funded by individuals who utilize the Charitable Deduction. In the last two years, there has been other significant giving by high end donors who are influenced by the Charitable Deduction.

A strong charitable sector helps local communities weather disruptions in employment and the economy, as was experienced by Elkhart County.

I am fearful that if the Charitable Deduction is eliminated, we will lose many of these programs due to the loss of donor dollars. This would be devastating for our community.

Please, do not hinder us in advancing the common good. Please, maintain the Charitable Deduction.

Respectfully,

A handwritten signature in blue ink that reads "William N. Rieth II". The signature is written in a cursive style with a double underline at the end.

William N. Rieth II  
President/CEO

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