



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Re: Extended tax deduction proposal for tsunami donations  
Da: Tuesday, Jan. 4, 2005

Sen. Chuck Grassley, chairman of the Committee on Finance, today joined Sen. Max Baucus, ranking member, in announcing a plan to extend the period of time in which Americans can claim tax deductions for charitable donations to assist victims of the earthquake and tsunami that hit Southeast Asia on December 26. The tax proposal comes a day after the announcement of the President's naming of former Presidents Clinton and Bush to lead a massive fund-raising drive for the disaster. Under this proposal, taxpayers would be permitted to claim a tax deduction in tax year 2004 for donations made for tsunami disaster relief until Jan. 31, 2005. Under current law, taxpayers would have to wait until next year's filing season to claim a tax deduction for tsunami-related gifts made after Dec. 31, 2004. The proposal would be limited to cash gifts made specifically for disaster relief. Sen. Grassley made the following comment on the new tax proposal.

"Americans are giving generously to tsunami relief, as they did after Sept. 11. I hope this extension will encourage them to give even more. As they do, I hope they'll make sure the charities they choose match their good intentions. Inevitably some con artists will try to turn this tragedy into a profit-making venture. Instead of falling victim to opportunists, Americans should consider the many good sources of information about legitimate charities. For example, the Better Business Bureau Wise Giving Alliance and GuideStar both have resources online to guide donors. A little research can go a long way toward stopping crooks in their tracks."