



FOR IMMEDIATE RELEASE
January 14, 2009

CONTACTS:
Sue Walitsky (Cardin) 202-224-4524
Julia Wanzco (Snowe) 202-224-1304
Brian Fallon (Schumer) 202-224-7433
Tory Mazzola (Ensign) 202-224-6244
Brenda Jones (Lewis) 202-226-4673

SENATE, HOUSE RENEW EFFORT TO HELP VOLUNTEERS DURING TOUGH ECONOMIC TIMES

Washington, DC – U.S. Senators **Benjamin L. Cardin** (D-MD), **Olympia Snowe** (R-ME), **Chuck Schumer** (D-NY), **John Ensign** (R-NV) and Congressman **John Lewis** (GA-5), today renewed their call for Congress to pass the *Giving Incentives to Volunteers Everywhere Act* (GIVE Act) that would provide relief to volunteers who use their personal vehicle for charitable activities. Despite a recent reprieve in oil prices, the cost for a gallon of regular gasoline still outpaces the deduction limits. Under current law, mileage rates for charitable activity are fixed under the Internal Revenue Code at just 14 cents per mile. However, the Internal Revenue Service (IRS) has discretion in setting the deduction amount for medical, moving and business expenses.

The bipartisan *GIVE Act* – re-introduced today in the Senate by Cardin, Snowe, Schumer and Ensign, while Lewis and Congressman Devin Nunes (CA-21) introduced companion legislation in the House of Representatives – would grant the IRS discretion in setting the mileage deduction rate for volunteers and charitable organizations, which could be as high as the business mileage deduction but not lower than the deduction for moving and medical expenses. The bill also requires the IRS to exclude from gross income of charitable volunteers reimbursements paid to them for the use of a passenger automobile for the benefit of a charitable organization.

“The volunteer spirit of America has always been a source of hope and strength during troubled economic times. Our volunteers and charitable organizations need this fix now,” said **Senator Cardin**. “I am proud to stand with so many leaders in the U.S. Senate who understand that Congress has a responsibility to act swiftly, so that the IRS can ease the burden on charitable volunteers who share their time and resources with some of our most vulnerable citizens.”

“We cannot allow the current economic climate to discourage charitable acts,” **Senator Snowe** said. “As unemployment continues to rise and more Americans are facing poverty, there must be opportunities for volunteers to give back to the community while saving money. This bipartisan legislation will make the necessary and overdue change to the IRS code that will alleviate transportation costs for volunteers and help local charities through this difficult time.”

“As we watch this nation slip into ever more trying economic times,” said **Rep. John Lewis**, “the work of charitable institutions and volunteers will become increasingly important to help this nation meet the mounting needs of the poor. Volunteer workers offer food to the hungry, blankets for the homeless, and comfort for the sick. This charitable work benefits our whole society, providing necessary care to people the government cannot reach. This good work not only strengthens the bonds of our society, but it can save taxpayers millions in services the government could not afford to deliver. That is why the federal

government should do all it can to assist these worthy citizens. And that is why it is fitting and appropriate that the IRS offer fair compensation to Americans who help bear the load of the most needy among us."

"The size of the gas mileage deduction for charity workers is antiquated. It punishes charities when the law does not keep pace with gas costs. The bottom line is, delivering meals on wheels shouldn't put you in the fast lane to the poor house. I have long urged this fix because it will allow charity workers to keep doing their important work even when the pain at the pump is great," **Senator Schumer** said.

"Our economy is hurting and individuals are losing their jobs across the country," said **Senator Ensign**. "It is so important that many Americans are able to receive a helping hand from their neighbors during this time. Unfortunately, current tax law discourages too many citizens from being as charitable as they would be otherwise due to mileage deduction restrictions. The GIVE Act would allow neighbor to help neighbor with an equitable mileage reimbursement."

By allowing the IRS equal flexibility in setting the rate, volunteers for charitable organizations will be allowed a similar tax benefit as those who take mileage deductions for moving, medical or business expenses. In today's climate of increasing food and fuel prices, this bill will help relieve some of the pressure for these volunteers.

As an example, Meals on Wheels, an organization that delivers nutritious meals and other nutrition services to men and women who are elderly, homebound, disabled, frail, or at risk, is losing volunteers. Nearly 60% of the estimated 5,000 programs that belong to the Meals on Wheels Association of America have lost volunteers who can't afford gas. Over the past year there has been nearly a 20% increase in fuel and food prices, along with reduced government funding and fewer donations. Nearly half the programs have eliminated routes or consolidated meal services. About 38% have switched to delivering frozen meals, while about 30% are cutting personal visits from five days a week to one. These services significantly improve the quality of life and health of the individuals they serve and postpone early institutionalization.

Additional original co-sponsors of the GIVE Act include Senators Russ Feingold (D-WI), Charles Grassley (R-IA), Patrick Leahy (D-VT), , Lamar Alexander (R-TN), Richard Burr (R-NC), Chris Dodd (D-CT), Maria Cantwell (D-WA) and Bernie Sanders (I-VT). Additional co-sponsors in the House of Representatives include Reps. Mike Thompson (CA-1), Tom Petri (WI-6), and John Hall (NY-19).

##