

More Charities Listed on Tax Returns
More and More Charitable Checkoffs Are Being Put on Tax Returns

The Associated Press

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There are child abuse funds and wildlife preservation funds. There are funds that benefit the homeless. There are others that raise research dollars for cancer and Alzheimer's disease.

All of them rely on big-hearted taxpayers willing to do a little portion of their income tax refunds to charity.

Income tax checkoffs raised \$27.3 million in 41 states in 2000, according to the Federation of Tax Administrators. While that was up about \$2 million over 1998, fund directors this year in a time when private and corporate giving has dropped sharply are trying to remind the public that a checkoff donation can go a long way.

Checkoff Colorado, a new 10-group coalition, began an advertising blitz last week. Posters and commercials by Gov. Bill Owens will remind taxpayers to give.

"This year it's perhaps more important than it's been in the past because I think the other sources of revenue that they've had have either been cut or reduced," said Checkoff Colorado spokesman Jon Pushkin.

Tax checkoff programs have been growing, from 103 in 1989 to 179 in 2000, according to Ron Alt of the Federation of Tax Administrators. All 41 states with a broad-based income tax have at least one checkoff. Some might have too many.

"The problem tends to be the more you get, it starts to get difficult to put on the tax return, and it makes it more complicated," Alt said.

Virginia has 21 checkoffs on its tax return, from the Chesapeake Bay Restoration Fund to the Jamestown-Yorktown Foundation. California and Alabama have 11 each.

Pennsylvania has five checkoff funds. In 20 years, the Wild Resource Conservation fund has generated \$6.2 million. The Korean/Vietnam Memorial fund has collected \$215,000 in five years.

In Philadelphia last week, the Pennsylvania Breast Cancer Coalition kicked off a public awareness campaign. The \$8 given by the average donating taxpayer raises about \$175,000 yearly, money given as research grants.

"We're dependent on a lot of people donating a little bit of money," said Bonnie Squ...

FUND RAISING

Trends and Ideas



Barbara Mattison, of Colorado CASA, is leading a publicity campaign to try to get more than the current 3 percent of residents to donate money from their state-tax refunds to charities: "We wanted to help raise that number..."

TAXPAYERS dread the annual ritual of filing income-tax returns, but scores of nonprofit organizations look forward eagerly to April 15, viewing tax time as a prime fund-raising opportunity.

Forty-one states and the District of Columbia have options on their income-tax forms that allow taxpayers to check a box to indicate that they want to contribute money from their tax refunds—or in some states, add money to their tax bill—to support a wide variety of causes.

Residents of New Jersey have used an income-tax checkoff option to help bring a historic battleship, the U.S.S. *New Jersey*, home to Camden as a permanent memorial. North Dakotans support tree plantings in their state, while Virginians finance efforts to prevent homelessness. And Californians underwrite medical research on Alzheimer's disease, breast cancer, and lung disease. All while filing their income-tax returns.

But while state checkoff programs bring in millions of dollars for worthy causes every year, some lawmakers argue that it's not fair for states to favor some nonprofit organizations over others by helping them raise money through the tax system. And although the checkoffs have become more prevalent, they have become a less-successful fund-raising tool,

as donations are spread among an expanding universe of choices.

In 1990, states offered 126 checkoff programs which brought in \$30.1 million, according to a survey by the Federation of Tax Administrators. Washington. By 2000, the number of state checkoff programs had jumped to 179, but donations fell to \$27.3 million.

The increased competition has helped checkoffs on state tax forms are now mounting aggressive publicity campaigns. Some organizations are trying to persuade their supporters to make a personal gift using their tax refunds, while others are working with professional tax preparers to take other steps to reach as many state residents as possible. In Colorado, the 10 nonprofit organizations and state agencies listed on the state tax form banded together to encourage more taxpayers to make donations through the checkoffs.

Cumbersome Process

Getting on a state tax form isn't easy in many states, the legislature and governor must pass a new checkoff, so charities must find lawmakers...

Continued

A Taxing Opportunity

Charities compete for space in income-tax checkoff programs

By Nicole Wallace

Groups urge charity via tax returns

By John J. Sanko
ROCKY MOUNTAIN NEWS

Tough fiscal times are pushing people into the same boat. Ten organizations vying to have Colorado taxpayers donate a share of their state tax refunds to their causes are uniting this year to make their voices heard.

Colorado Attorney General Ken Salazar and Sen. Penfield Tate, D-Denver, will help launch the new campaign Wednesday at the Capitol. Gov. Bill Owens is even helping with public service announcements.

"Our goal is to raise awareness across the state about check-off giving," said Jon Pushkin, a spokesman for the effort called Checkoff Colorado — It's a Simple Way to Give. Pushkin said it's the first time in the history of the tax check-off program that the groups have worked together to raise awareness.

The check-off program provides a way to donate money for several causes, including aiding abused children and victims of domestic violence, controlling pet overpopulation and giving a hand to Olympic athletes.

More online: For more information, go to www.checkoffcolorado.org.

There's a good reason for the groups to band together this year, forced to cut the state current budget by \$850 million, and donations to charities falling because of the economy, these groups want people to know there is an easy way to give.

It's a very simple way for people to make a significant difference in their community," Pushkin said.

Out of 2,333,603 individual income tax returns filed last year, only 76,000 taxpayers — 3.25 percent — made donations. But the filers frequently donated to more than one cause, resulting in 205,185 donations worth \$1.9 million.

"There are now check-off programs in 41 states and the District of Columbia," Salazar said. "The beauty of these programs is that they raise money for worthy causes in a very simple and direct way."

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Check-off beneficiaries

Colorado in 1977 became the first state to allow a charity check-off on state income tax forms. There now are 10 causes listed to which taxpayer can designate part of their refunds:

- Nongame and Endangered Wildlife Fund
- Child care improvement
- Court-appointed special advocates
- Domestic abuse programs
- Homeless prevention activities
- Pet overpopulation
- Watershed protection
- Special Olympics
- U.S. Olympic Committee
- Western Colorado State Veterans Cemetery Fund

Pushkin Public Relations

CLIENT: Checkoff Colorado