

Dear Sir/Madam:

As Donny Osmond once sang, "One bad apple don't spoil the whole bunch..." As in all walks of life, there are those who will abuse the system for their own advantage. The LLC scheme is no exception. Their actions are deplorable and shocking. All available sanctions should be imposed against all parties: donors, charity, charity's advisors, tax shelter promoters and appraisers.

This scenario does not reflect the overwhelming majority of donations of appreciated property. The enactment of the deduction-limited-to-basis rule for all appreciated property gifts (other than marketable securities) would be detrimental to both donor and charity. It will reduce the incentive for donors to give, thus reducing these types of gifts to charities.

I do support the disclosure, by brokers, of the cost basis of securities that their clients have sold. Some brokerages already report this information on year end summaries.

I hope you will not over-react to the "bad apples" at the expense of the good ones. Don't enact the deduction-limited-to-basis rule.

Thank you.

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