



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

<http://finance.senate.gov>

For Immediate Release

Wednesday, January 5, 2005

Contact: Jon Selib

202-224-4515

Baucus Pushes for Prompt Passage of Tsunami Relief

Relief Organizations Throw Support Behind Baucus' Tax Proposal to Aid Relief Effort

(WASHINGTON, D.C.) Today, U.S. Senator Max Baucus (D-Mont), continued to push for the quick passage of legislation that would extend the period of time Americans can make charitable donations in order to assist victims of the earthquake and tsunami that hit Southeast Asia on December 26. The Baucus/Grassley measure has received widespread support from both parties in Congress as well as backing from the charitable organizations coordinating the relief efforts in the region.

Under this proposal, taxpayers would be permitted to claim a tax deduction in tax year 2004 for donations made before January 31, 2005 for tsunami disaster relief. Under current law, taxpayers would have to wait until 2006 to claim a tax deduction for tsunami-related gifts made during January 2005.

"Americans are rising to the occasion and leading the world in assisting disaster victims in Southeast Asia," Baucus said. "Giving the American people an added incentive to make a donation to those in need will give us the opportunity to live up to its image as being a compassionate and benevolent country."

Charitable organizations coordinating the relief efforts have asked for cash donations to make the process more efficient. Cash donations reduce shipping costs of donated items being sent from the United States and allow cash to flow into local economies generating growth. The proposal will give Americans the opportunity to donate immediately and provide charities with the cash support.

Today, charitable organizations joined Baucus in calling for quick passage of this tax bill.

"With a disaster of this magnitude, which has affected so many children, we need to encourage as many people as possible to help," said Charles J. Lyons, president of the U.S. Fund for UNICEF. "The tsunami tax provision will help bring lifesaving support and care to children in the tsunami-struck countries, who are in desperate need of our assistance."

Brian Gallagher, President and CEO of the United Way of America also offered his support for the legislation.

"I applaud this effort by Senators Baucus and Grassley since it provides extra and immediate incentive for concerned individuals to act on their desire to help their neighbors -- whether the individuals reside in their own communities or around the world," said Gallagher. "As a representative of the global United Way system, which has banded together to support local United Way affiliates and community partners in the affected areas, I hope that after the

initial rush to provide emergency aid and relief, there will also be generous support for the rebuilding of the infrastructure on which the fragile fishing and tourist economies rely.”

Diana Aviv, President and CEO of the Independent Sector discussed the importance of Congressional leadership in the relief efforts.

“Americans have stepped up and given in response to the images of pain and suffering, digging deeply into their pockets to make immediate relief possible,” said Aviv. “Many members of Congress have also responded with great compassion, and sought ways to encourage giving in this time of great need. The proposals by Senator Grassley and Senator Baucus to make one-time limited changes in the tax code to encourage additional giving toward relief, rehabilitation, and reconstruction is an example of constructive efforts by key leaders in Congress to increase support for disaster response.”

The bill will be introduced in the Senate tomorrow.

###