



Published on National Council of Nonprofits (<https://www.councilofnonprofits.org>)

Original URL: <https://www.councilofnonprofits.org/pressreleases/statement-diane-yentel-president-ceo-national-council-nonprofits-denouncing-house-gop>

Statement from Diane Yentel, President & CEO of the National Council of Nonprofits, Denouncing House GOP Tax Bill Targeting Nonprofits

Today, House Republican Leadership in the House Ways and Means Committee approved their major tax bill, sending it for markup to the Budget Committee. The proposed legislation would make it easier to strip certain nonprofits of their tax-exempt status and grant Treasury Secretary Scott Bessent the sole and unprecedented authority to designate nonprofits as terrorist-supporting organizations. The bill also increases taxes on foundation and university endowments and imposes new taxes on essential employee benefits provided by nonprofit organizations, excluding religious organizations.

In response, Diane Yentel, CEO of the National Council of Nonprofits, issued a statement condemning harmful elements of the bill:

“This tax bill introduced by House Republicans is a direct assault on organizations that serve the most vulnerable Americans, stepping in to provide support in

overlooked communities. Families that rely on church food pantries, veterans that depend on nonprofits for mental health services, moms and babies that receive low-cost health care, and domestic violence survivors living in shelters are all harmed when Congress denigrates nonprofits and makes their work more difficult to do.

The bill hands unchecked power to Secretary Bessent to punish organizations that do not fall in line with the administration's ideology, by labeling them as terrorist-supporting groups without due process, without a third-party investigation and without public evidence — all while concealing details under the pretext of national security.

The legislation's provisions regarding private foundations and universities will divert charitable dollars away from scholarships, research, and community grants. This proposal will directly harm students attempting to earn a degree.

The law also targets nonprofit employees by taxing basic fringe benefits, such as transit and parking. These benefits help recruit and retain dedicated staff.

We applaud the inclusion of the Universal Charitable Deduction. However, the benefits of this provision are far outweighed by the many damaging aspects of the bill.

When lawmakers harm nonprofits, they threaten the very fabric that holds our communities together. They undermine the hard work of mission-driven individuals dedicated to making our neighborhoods stronger and more resilient.

Nonprofits are not faceless institutions—they are our neighbors, working tirelessly to serve our neighbors. Without them, our communities will suffer.

This bill should never have advanced through the Ways and Means Committee, and it must not move forward in the Budget Committee. Congress must make a decision: defend the people and communities that rely on nonprofits, or dismantle the infrastructure of care and service that supports millions of Americans.”

###